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THE PROVISION OF RURAL PUBLIC TRANSPORT SERVICES IN BRITAIN WITH PARTICULAR REFERENCE TO THE ROLE OF LOCAL AUTHORITIES IN SCOTLAND.

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Submitted as part of the requirements for the Master of Philosophy in Town and Regional Planning. Department of Town and Regional Planning, University of Glasgow, April 1979.
SYNOPSIS

Top tier local authorities in Britain currently have an important role to play in the planning of the provision of public transport in rural areas. However, the nature of this role as it has been interpreted, particularly by certain Regional Councils in Scotland, is questioned in this study.

The nature of relationships between central and local government as they exist in Scotland are considered to be a hindrance to the achievement of effective rural transport planning. Many of the difficulties experienced in this sphere could be eradicated by the extension to Scotland of the duties placed upon County Councils in England and Wales under the 1978 Transport Act, namely to prepare annual Public Transport Plans.

The Scottish Bus Group as the main provider of rural transport facilities in this country is also criticised for failing to adopt an aggressive approach to the marketing of their services. The benefits accruing from the partnership between the Group and local authorities are highlighted, but the potential for greater development emerging from this relationship is shown to remain untapped.

The greater responsibilities recently given to the Traffic Commissioners are also investigated and it is suggested that without an adequate research staff to provide them with the necessary analyses of local authority and Bus Group plans, the Commissioners will never fully realise their effectiveness in the rural transport planning framework.

The detailed probe into the role adopted by Grampian Regional Council brings to the surface the main deficiency of current planning procedures as far as they relate to rural public transport, i.e. the failure of the local authority to adopt a consumer oriented 'needs-based' approach to the problem. Without developing suitable methodologies for defining 'needs', the impact of local authority policies on improving car-less rural residents accessibility requirements will be minimal.
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INTRODUCTION.
Local government involvement in public passenger transport provision outside of urban areas has increased dramatically in the past decade. Prior to the 1968 Transport Act, local authorities in Britain had no political or financial control over bus and rail operations in their rural areas. Since then however, central government has given more and more responsibility to the top tier local authorities (i.e. Regional and Islands Councils in Scotland and County Councils in England and Wales) in respect of developing policies to maintain rural public transport services.

This increasing involvement in rural transport issues is exemplified by the number of papers given at conferences dealing with this topic, by local government officers (1), whilst the proliferation of these conferences themselves bears witness to the continuing search for suitable remedies to the difficulties associated with rural public transport decline, (2).

In comparison with the literature relating to England and Wales, little has been written on the role of Scottish local authorities in respect of their rural transport responsibilities. What documentation there is tends to be limited to Newsheets and Study Papers prepared by the pressure group, 'Scottish Association for Public Transport' and to two reports published by the Planning Exchange in Glasgow, (3). Occasionally papers relating to the Scottish situation have been given at conferences outside of Scotland, (4), and periodically articles appear in national journals (5), but there has been no comprehensive treatment of the subject. And yet it is evident, even from this sparse literature, that Scottish authorities are facing some difficulties. In the words of one observer: "There is a strong feeling that the local authorities are rather 'stuck in the middle' between central government and the operators, and lack powers commen-surate with the responsibilities they have been given," (6). And/
And whilst local authorities may be meeting with difficulties in acting out their responsibilities, there is also evidence to suggest that even in areas where their duties are well defined, some of them are not doing enough to ensure that the public transport needs of their areas are being met, (7). This study is therefore applied towards investigating these issues.

The aim is to analyse the relationship between all those bodies concerned with providing rural transport in Scotland with the objective being to specify a more explicit role for top tier local authorities in this sphere. This also necessitates recommendations being made as to the role other bodies might adopt in the rural transport planning framework, and this too is attempted.

The method of study adopted, is firstly to explore the nature of the rural transport problem, and to chart the government response to it, identifying the gradual incorporation of local authorities into dealing with the problem, (Chapter One). This Chapter will consider the rural transport problem as one common to Britain as a whole. This is followed by an attempt to outline the organisational framework within which rural transport is provided in Scotland, highlighting especially the relationships between central and local government, the difficulties extending from these relationships, and in particular the differing nature of these relationships as they occur between the two tiers of government in England, Wales and Scotland, (Chapter Two). The point in exploring this latter issue is to determine whether or not some of the difficulties referred to earlier, as being faced by Scottish local authorities, are a function of their having to deal with a different central administration, (i.e. the Scottish Development Department), from their English and Welsh counterparts.

The role of the Scottish Bus Group (SBG), as the main provider of rural transport services in Scotland is then examined/
examined and its relationships with local authorities explored in order to determine the effectiveness of both the Group itself, and the relationships, in improving rural transport services, (Chapter Three).

The role of the Traffic Commissioners, the semi-judicial body charged with the responsibility to determine fares levels and the issuing of bus route licenses is then considered in relation to the role of local authorities, the SBG and the SDD in this sphere, (Chapter Four).

From these analyses it is hoped that a clearer picture may be derived of where difficulties are being faced in the existing organisational and political structure through which rural transport in Scotland is provided, and that suggestions for improvements may be made.

Exploratory investigations had also suggested that some local authorities were not too concerned about the rural transport needs of their areas and so it was decided to analyse the role of one particular Regional Council, Grampian, to test whether or not this assumption was valid. The Council's policies and practice are analysed in some detail, and again suggestions for change are offered, (Chapter Five).

That such a study as this is necessary may be argued on at least two grounds. Firstly, local authority planners have often been accused of 'interfering' in the operation of the public transport industries (8). And yet the provision of public transport has been considered an important issue in many Structure Plans dealing with rural areas (9), and in rural area Local Plans (10). It is therefore believed that planners involved in such plan making should be aware of the problems involved in formulating and implementing rural public transport policies. And secondly, the Scotland Act 1978 empowers the proposed Scottish Assembly with the ability to reorganise the framework within which public transport is provided. Should the Assembly come to pass then those responsible for examining the present framework with a view to change must be aware of the problems existing at present.
Notes and References.

1. See for instance the papers given at the Polytechnic of Central London annual seminar on 'Rural Public Transport'. At the most recent of these seminars, (i.e. November 24, 1978), four of the five main papers presented were given by local government officers. These were: 'Planning for Network Change in Surrey' by J.G. Glover and B.J. Garrard of Surrey County Council; Nottinghamshire's Rural Transport Experiments: The Bassetlaw Community Bus' by R.J. Childs, Nottinghamshire County Council; 'Developments in Northumberland' by J.D. Wylde of Northumberland County Council and A.D. Mennear of Tynedale District Council; 'Developments in Rural Public Transport in Strathclyde' by A.D. Ochojna of Greater Glasgow PTE.

2. Apart from the Polytechnic of Central London seminar which has been held annually since 1972, other recent conferences dealing with rural transport issues have been the 'Rural Transport and County Planning' conference held at the University of Nottingham in 1977; the Institute of British Geographers Transport Studies Group 'Rural Transport Problems in Britain' conference held in Gwynedd in January 1979; and the PTRC course on 'Public transport in urban and rural areas' held in March, 1979.


The Planning Exchange 1979 'Rural Public Transport Experiments'. Forum Report 12. This report contains papers given at two forums on the subject of experiments in rural public transport. The first was held in Dumfries in 1977, the other in Inverness in 1978.

4. For example, that by A.D. Ochojna in (1) above.

5./


7. This is a view commonly propounded by the Scottish Association for Public Transport and was also backed by the Traffic Commissioner at a Public Hearing in March 1978.

8. This was a view expressed by Mr. Tom Marsden, an Executive Director of the Scottish Bus Group at a Chartered Institute of Transport seminar entitled 'The Role of the Bus Operators', on 23 October 1978. This was one of a series of seminars given under the theme, 'Scottish Transport Into the Eighties' and held at the University of Glasgow between October and December 1978.


10. For example see Gordon District Local Plan Survey Report 1978.
CHAPTER ONE

THE RURAL TRANSPORT PROBLEM AND THE GOVERNMENT RESPONSE.
Although being an issue of contemporary concern, the rural transport problem is not a new phenomenon. As early as 1955 Randall was able to comment on significant reductions in the levels of bus services being provided in rural Britain (1), and by the beginning of the 1960's Thomas wrote the first of many essays which were to adopt the title, 'The Rural Transport Problem', (2).

Many rural bus and rail services had never been well patronised even before this period, but were sustained by operators applying the principle of cross subsidisation. Profits from well-trafficked routes were apparently used by companies to offset losses on routes which catered for smaller numbers of passengers, thereby allowing a denser network and frequency of services in many areas than might otherwise have existed, (3).

However, in the 1950's, with the end of petrol rationing (a legacy from the highly controlled war economy), the rise in real incomes, and technological developments in motor car production methods, the private motorised vehicle became more easily available to a greater number of people than hitherto. The number of private cars and vans licensed in Britain rose from just over 1.4 million in 1940, to 2.26 million in 1950, and jumped to over 5.5 million in 1960 and again to almost 9 million by 1965. In 1978 there were 13.9 million such vehicles registered, (4). The advantages of the car over public transport were immediately recognised as being enormous. The ability of individuals or family groups to travel where they wanted was constrained now only by the road network rather than by the public transport network. Perhaps more importantly, the car provided a greater convenience element, allowing people to make journeys when they wanted, rather than being dependent upon a timetable. The car also conferred cost and comfort advantages over public transport, (see Table I).
Changing leisure habits also had a deleterious impact on rural public transport services in the 1950's. For instance, between 1952 and 1960 the number of television sets sold in Britain increased fivefold, an event which correlated with a simultaneous 50% reduction in cinema attendances, (5). This was particularly damaging for rural transport operators in that journeys made to cinemas had generally occurred in 'off-peak' travel periods - in the evenings and at weekends. For despite the loss of these passenger journeys, vehicles and man-power still had to be retained in numbers capable of dealing with the brief peak demand periods. The loss of off-peak revenue in fact is a problem which has remained with public transport operators to this day.

These developments contributed to a 10.2% decline in the number of passenger journeys made by bus between 1955 and 1959, (6), again a trend which has continued to the present; (the Scottish Bus Group operators suffered a 39% fall in passenger journeys made between 1966 and 1976), (7).

Falling patronage led to an increasing number of routes becoming unprofitable, and hence cross-subsidisation became more difficult. Services were cut and fares increased, leading to further passenger losses. A spiral of decline had been set in motion. (Table I shows how bus fares were rising more slowly than motoring costs prior to 1951 and how they have continually outstripped rises in motoring costs since then. It is also interesting to note that rises in rail fares did not surpass rises in motoring costs until the late 1950's.)

TABLE I/
TABLE I
INDICES OF RAIL AND BUS FARES AND MOTORING COSTS, GB.
June 1947 = 100

<table>
<thead>
<tr>
<th></th>
<th>Rail Fares</th>
<th>Bus Fares</th>
<th>Motoring Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1947</td>
<td>100 (+15)</td>
<td>100 (+20)</td>
<td>100 (+50)</td>
</tr>
<tr>
<td>October 1951</td>
<td>115 (+40)</td>
<td>120 (+80)</td>
<td>150 (+40)</td>
</tr>
<tr>
<td>October 1957</td>
<td>155 (+65)</td>
<td>200 (+85)</td>
<td>190 (+5)</td>
</tr>
<tr>
<td>October 1964</td>
<td>220 (+65)</td>
<td>285 (+95)</td>
<td>195 (+75)</td>
</tr>
<tr>
<td>June 1970</td>
<td>285 (+140)</td>
<td>375 (+165)</td>
<td>270 (+115)</td>
</tr>
<tr>
<td>February 1974</td>
<td>425 (+620)</td>
<td>540 (+720)</td>
<td>385 (+280)</td>
</tr>
<tr>
<td>June 1978</td>
<td>1,045</td>
<td>2,260</td>
<td>665</td>
</tr>
</tbody>
</table>

Figures in brackets indicate percentage change.

Source: Adapted from Hansard 31-7-78.

Note: Rail and bus figures are taken from Department of Employment's general index of retail prices. The motoring costs are those published by the Automobile Association.

In 1959 the Government set up a Committee of Enquiry under the Chairmanship of a Professor D. Jack, charging them with the duty "to review present trends in rural bus services and in particular to enquire into the adequacy of those services; to consider possible methods of ensuring adequate services in the future; and to make recommendations," (8). The Committee reported in 1961 and concluded that unless financial assistance was forthcoming from central government to retain many bus services, then a large number of rural inhabitants would be faced with, in some instances, actual hardship, and in others, inconvenience, as uneconomic services were withdrawn. They therefore recommended that this assistance should be administered through the County Councils and that the cost "should fall partly on the Exchequer and partly on the County Councils" (9).
commendations is contained in Appendix 1).

Whilst the Jack Committee was proposing assistance for rural bus services, the British Railways Board, under Dr. (later Lord) Beeching, was investigating the role it was to play in the future as a provider of public transport services. The railway system had, since 1955, been operating at a loss and Beeching was given a purely commercial remit in an aim to make the industry efficient and profitable. Towards this end he applied what Aldcroft termed "ruthless financial tests" to assess the viability of all its services, (10).

'The Reshaping of British Railways', to become more infamous perhaps as 'The Beeching Report' was published in 1963 and recommended the closure of over 2000 stations and 5000 route miles, the large majority of them falling in rural areas, (11). The public outcry (12) which welcomed these proposals was ineffective in achieving a reappraisal of many of the cases for closure and the implementation of the 'Reshaping Plan' effectively ended the role of the railway in providing public transport services in many rural areas.

The social consequences of these closures were virtually dismissed, Beeching believing that all the problems could be solved by simply replacing rail services with bus services. In any case it was claimed that in most areas where rail services were to be closed an alternative bus service already existed and that these bus services would "have enough spare capacity to absorb the traffic which will be displaced from the railways,"(13). However, where no alternative bus service existed Beeching had calculated that one could only be economically provided in a particular area if the number of passengers displaced from the railway to be closed was greater than 1,000 per week. What Beeching did not adequately allow for, were areas where this figure might not/
not be reached. His only stipulation for such cases was that "some special arrangements may be necessary,"

By the middle 1960's then, a shrinking rural bus network was being matched by large scale rail closures. The question to which attention must now be turned then, is, who was being most affected by this decline in rural public transport services?

The 'transport poor' have been identified by various authors (15) as the elderly, the disabled, the young, housewives in one car households, and low income groups, (which may incorporate some of the afore mentioned), all of whom had become disadvantaged in respect of their capabilities of gaining access to facilities they required, due to the decline in public transport services. The problems being faced by these groups were compounded too by changes in the spatial distribution of both population and public and private goods and services in rural areas in the 1950's and 1960's. These latter two categories of events may be considered as being inextricably interlinked in a process of circular causation. It is therefore difficult to distinguish between 'cause' and 'effect'. Rural depopulation may be partially attributed to the shedding of labour by the agricultural industry as productivity in this sector continued to improve. In some areas this depopulation undermined the population thresholds necessary to support village shops, schools, post offices, chemists, etc. However depopulation also resulted from the government induced procedure of centralising such village based public sector facilities as schools and health centres, in favour of supposed economies of scale and general overall improvements in efficiency, in larger settlements. The effects of these processes were devastating for those who remained in rural areas. A study of Norfolk by Moseley et al. showed that the number of retail outlets per 1,000 inhabitants in that county had declined by 10% between 1961 and 1971; that in the/
the same period about 80 of the county's smaller primary schools were closed; that health facilities had been centralised; and that employment opportunities were, since 1960, also becoming increasingly concentrated in the larger towns as agricultural employment opportunities declined, (16). And Drudy, working in the same area, pointed out that those most affected by these events were the very young and the ageing members of rural communities, who tended to be left behind as depopulation proceeded, and as out migration of "the young working age-cohort" (17) took place. That these residual groups were especially vulnerable also to the effects of declining public transport services was further emphasised by Clout et al. who claimed that 71% of retired people and 70% of farm workers in North Norfolk in 1971 were without a car, (18).

At a time then, when the necessity to be able to move was perhaps becoming increasingly important, and overall mobility aspirations were rising, the publicly provided means for doing so in rural areas, were disappearing.

Central government's response to these developments was somewhat tentative. The recommendations of the Jack Committee were not considered conclusive enough and further investigations, in the form of detailed studies of six rural areas throughout Britain, (parts of Devon, Montgomeryshire, Lincolnshire, Westmorland, Kirkcudbrightshire and Banffshire (19)), were conducted before many of the original proposals were finally embodied in the Transport Act of 1968. This Act provided the machinery deemed necessary by Jack to empower county councils to provide subsidies for rural bus services. The powers were however discretionary, it being left to individual local authorities to determine which services, if any, in their area, should be given financial support. Under the arrangement, central government provided the local authorities with 50% of the grants they chose to pay to bus operators. The Act also introduced the New Bus Grant/
Grant, a scheme whereby central government agreed to pay, direct to operators, 25% (later increased to 50%) of the cost of buying new buses for use on stage carriage services. This was intended to increase the pace at which conversion to one-man-operation could occur, a process which was seen as substantially reducing bus operating costs. A fuel tax rebate equal to half the contemporary fuel duty was also introduced under the Act to further ease the financial burdens falling on operators. (This was also increased at a later date, 1974, from whence a full rebate was given).

At this time too central government adopted a more sympathetic attitude towards unremunerative rail services. In 1967 an Economic Unit was set up within the Department of Transport to develop cost/benefit analysis techniques to be used in assessing the full implications for an area, of the closure of a railway passenger service. Linked to this was a provision made in the 1968 Act whereby an unremunerative rail service could be maintained if it could be shown that a degree of hardship would be caused by its closure. Subsidies made for the retention of such services were paid direct from the Treasury to British Rail. This procedure however saved few of the lines earmarked for closure by Beeching. Rather it reduced the prospect of further cuts occurring should purely economic consideration once more be adopted to assess the need for a particular rail service.

The discretionary powers given to county councils under the 1968 Act were not altogether successful in improving rural transport facilities. Some counties chose not to award subsidies to operators, Pembroke and Kincardine being but two examples, and network contractions continued. Neither was there anything to suggest that the retention of services by awarding subsidies was doing any good. Such a system must be seen as simply maintaining a possibly obsolete network, regardless of whether or not it was serving the needs of an area.
The problems of this piecemeal approach were brought to a head in 1970 when the National Bus Company (NBC) warned that it found itself "compelled ..... to instruct its subsidiaries to reduce the burden of loss making rural services by announcing their withdrawal after reasonable notice," unless greater financial support was forthcoming, (20). The situation was similar in Scotland. Kirkcudbrightshire and Wigtownshire for example were threatened with a complete withdrawal of bus services, (21).

At this stage the proposals for local government re-organisation gave central government the opportunity to review the role the new local authorities could play in improving the situation. Under the Acts which introduced the new framework of local public administration - the Local Government Act, 1972, and the Local Government (Scotland) Act 1973 - the new county councils in England and Wales, and the regional and islands councils in Scotland, were given the statutory responsibility "to develop policies which will promote the provision of a coordinated and efficient system of public passenger transport to meet the needs of their area." In order that such a duty could be more easily accomplished the Acts also required that "each of the persons providing bus services within ... an area, and ... the Railways Board, ... must co-operate with one another and the local authority concerned in the exercise of their respective functions."(22)

This was paralleled by the introduction of a new transport planning process whereby these top tier local authorities were requested to prepare documents known as Transport Policies and Programmes (TPP's). The TPP system was seen as allowing the new authorities to develop a more comprehensive approach to local transport planning. All central government support, would, after re-organisation, take the form of a block allocation included in the Rate Support Grant/
Grant (RSG), for spending on all local transport sectors, (plus a Transport Supplementary Grant, TSG, in England and Wales). Theoretically, local authorities were to be left free to decide how much of their budget could be spent in each sector, including rural bus support.

This system replaced the 'specific grants' procedure which had been adopted hitherto. By this latter method grants were paid to authorities individually for bus support, transportation studies (mainly urban), and principal road improvements, a process which tended to encourage a disjointed approach to transport planning and was open to the dangers of local authorities choosing schemes which attracted the highest grants.

The TPP's then were seen as annual bids by local authorities for overall transport expenditure. Although being published annually they were also expected to relate to five year planning periods.

The philosophy behind local government reorganisation also expected local authorities to adopt a more corporate approach towards planning the overall development of their areas. Prior to reorganisation rural travel needs had been affected by local authority land use development plans which may have adopted key settlement policies which continued the process of centralisation of facilities mentioned earlier, thereby intensifying the accessibility problems of some groups. But now, the new public transport functions, incorporating the TPP system, were to allow a more integrated approach to land use planning and area-wide transport planning.

Although such developments were not instigated specifically for solving rural public transport problems, they were certainly expected to provide the machinery through which local authorities could more effectively go about doing just that.

Despite/
Despite this, by the mid 1970's the problems associated with the decline in rural public transport services were more widespread, not being confined, as they were initially, to the remoter rural areas. The problems were compounded by the national economic recession and exceptionally high inflation rates which contributed to Scottish Bus Group fares rising by 143% between 1974 and 1978, (23). Continuously rising costs led to operators presenting local authorities with escalating claims for revenue support in the immediate years after reorganisation. These claims were not always met.

Throughout this period central government retained financial control over most rural rail operations in non-metropolitan and non Passenger Transport Executive areas, giving protection to most routes under a Public Service Obligation introduced with the Railways Act of 1974.

Although an increasing responsibility for policy development was seemingly being passed to local authorities, central government retained its role as initiator of research into methods of improving the level of public transport services in rural areas. The Passenger Vehicles (Experimental Areas) Act for instance, was passed in 1977 to allow the government, in collaboration with local authorities, trade unions and bus operators, to engage in a series of rural transport experiments, known as RUTEX, whereby existing vehicle licensing laws were relaxed in the areas concerned, to allow the experiments to proceed. The schemes were varied, including volunteer driven community minibuses, shared hire cars and post buses, and were carried out in four rural areas throughout Britain, (see Appendix 2). The first progress report from these experiments was published recently (24), but their value for other local authorities, operators and community groups, remains to be assessed.

But not all the initiative has been coming from central government. Many local authorities have apparently risen to/
to the challenge and have been responsible for introducing innovatory schemes designed to fill gaps in the public transport network. Borders Regional Council for instance have recently completed a feasibility study of using its own 'courier' vehicles for carrying passengers. It has been estimated that four vehicles could be employed in carrying samples, stores and other supplies between hospitals and laboratories in the area, whilst conveying passengers at the same time, (25). The Council hope to have the scheme in operation in the current year.

Local authorities responsibilities in England and Wales were extended once again in the 1978 Transport Act which called upon the non-metropolitan counties to prepare annual statutory Public Transport Plans, (PTP's), relating, as with the TPP's, to five year periods. The first PTP's were due for submission before 31 March 1979.

These plans require that County Councils be more explicit about the means by which they are investigating the public transport needs of their areas. It is required that the plan must contain: -

"(a) a review of the county's needs, and the needs of communities comprised in it, in respect of public passenger transport services, and the extent to which those needs are met by existing services (this review to be accompanied by an account of the criteria applied to determine need);

(b) a description of -

(i) the council's policies and objectives for public passenger transport, and the services and facilities they consider to be needed by the county; and

(ii) the measures proposed for securing them in the short, and also in the longer, term;

(c) estimates of the financial resources required for the realisation of these policies and objectives, with proposals for obtaining such resources; and

(d) an account of how far forecasts in earlier plans have been, and are being, realised as regards the availability and use of such resources". (26)
The legislation additionally requires that local authorities, when preparing or revising the plan, afford parish and community councils an opportunity to comment on it whilst it is at the preliminary draft stage.

For the first time then, local authorities were given clear, explicit guidelines as to what their planning function, in so far as it might relate to rural public transport, should encompass. Whilst the PTP system was not extended to Scotland, authorities here were informed that their Fourth TPP's (i.e. for 1979-84) should give preference in coverage to public transport issues, (27).

Under the same Act, but extending to Britain as a whole, certain vehicle licensing regulations were eased in order to encourage more unconventional transport schemes in rural areas, (in accordance with the ideas developed in RUTEX). Community bus drivers no longer require Public Service Vehicle (PSV) licenses, and car sharing schemes have been legalised.

Whose problem?

From the preceding historical description of events it is possible to consider the rural transport problem as a three sided one.

Firstly it is a problem for the potential and existing consumers of rural transport services in that declining patronage has contributed towards rising fares, or in that rising costs have priced the product out of the market, and/or led to the elimination of services altogether. It is also a problem for the operators of public transport in that they cannot attract enough demand to make many services financially viable. Finally, it is a problem for government, both central and local, in that they are responsible for ensuring that members of rural communities without access to private transport are not disadvantaged in terms of their abilities to gain access to facilities they might require, whilst/
whilst being equally aware of the costs of meeting these needs in an era of increasingly competitive claims for scarce public funds.

The governmental search for technical solutions to rural transport problems, initially through simply offering subsidies to conventional operators to maintain existing services, and more latterly through an expansion of the use of less conventional modes of transport - post buses, community buses, shared cars, etc. - has been paralleled by a search for an appropriate administrative structure through which to efficiently implement policies. This would appear to give some credence to a belief expressed by Insh that "the real transport problem may be as much an administrative one as simply one of finding new forms of public rural transport,"(28).

And yet today, twenty years after the Jack Committee was set up, the framework within which rural public transport is provided, is far from clear cut, and the relationship between local and central government as regards policy formation and implementation appear somewhat problematical. It is to these aspects that attention is now turned.
Notes and References


9. Ibid.

10. Aldcroft, D, 1968, 'British Railways in Transition'.


12. See for example 'The Press and Journal' of March 28th, 1963, which carried a front page story headed 'Down with Beeching' and sub titled: 'The Axe Falls'; 'Town and Country Explode in Anger'; 'Death blow for Tourism'; - articles which portray the public reaction to the Beeching proposals in North East Scotland.


14. Ibid.


23. Calculated from figures provided in Hansard, 31.7.78.
CHAPTER TWO

THE ORGANISATIONAL FRAMEWORK AND CENTRAL–LOCAL RELATIONSHIPS.
The organisational framework, both functional and financial, within which public transport is provided in the rural areas of Scotland, is somewhat complicated.

Bus services are operated mainly by subsidiaries of the SBG, itself incorporated within the publicly owned Scottish Transport Group (STG), plus a number of small independent operators. In all, around 93% of all road passenger services are publicly controlled. Grampian, Tayside and Lothian Regional Councils all operate bus services virtually exclusively within their major urban centres (i.e. Aberdeen, Dundee and Edinburgh respectively), although an interesting managerial innovation occurred in 1977 when Tayside took over direct control of operating routes between Crieff and Perth, and between Auchterarder and Lawhill Farm, after the SBG withdrew. The services are actually run by independent operators although the vehicle and route licences have been granted to the Regional Council, (1). This is the first case of a Regional authority being directly responsible for operating a stage carriage rural service.

More 'unconventional' services are provided by the Post Office Corporation, who operated 107 'post buses' in Scotland in 1977, and whose operations have been steadily expanding throughout the 1970's, (Table 2). This expansion has been mainly due to the fact that the Post Office is now an autonomous corporation making it eligible for partial fuel tax rebates and 50% capital grants from central government for buying new vehicles to be operated on licensed routes; by voluntary organisations - in 1977 the WRVS were operating 14 car schemes in rural areas in Scotland (also see Table 2); and by community groups: for example, a mini-bus is operated between Edinvillie and Aberlour in Moray District by a local Community Association - and four such schemes in all were identified throughout Scotland in 1977 (Table 2).
Table 2
Unconventional transport schemes in Scotland

(a) *Post bus operations*

<table>
<thead>
<tr>
<th>Year</th>
<th>Vehicle miles in service (thousands)</th>
<th>Passenger journeys (thousands)</th>
<th>Passenger receipts (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973</td>
<td>332.1</td>
<td>26.9</td>
<td>£5.3</td>
</tr>
<tr>
<td>1974</td>
<td>667.4</td>
<td>49.9</td>
<td>£9.7</td>
</tr>
<tr>
<td>1975</td>
<td>1078.4</td>
<td>83.7</td>
<td>£14.2</td>
</tr>
<tr>
<td>1976</td>
<td>1556.8</td>
<td>118.0</td>
<td>£24.0</td>
</tr>
<tr>
<td>1977</td>
<td>1880.3</td>
<td>142.5</td>
<td>£31.2</td>
</tr>
</tbody>
</table>


Number of post buses per Region, 1977

<table>
<thead>
<tr>
<th>Region</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borders</td>
<td>12</td>
</tr>
<tr>
<td>Grampian</td>
<td>4</td>
</tr>
<tr>
<td>Strathclyde</td>
<td>19</td>
</tr>
<tr>
<td>Central</td>
<td>7</td>
</tr>
<tr>
<td>Highland</td>
<td>31</td>
</tr>
<tr>
<td>Tayside</td>
<td>6</td>
</tr>
<tr>
<td>Dumfries &amp; Galloway</td>
<td>12</td>
</tr>
<tr>
<td>Lothian</td>
<td>3</td>
</tr>
<tr>
<td>Western Isles</td>
<td>8</td>
</tr>
<tr>
<td>Fife</td>
<td>4</td>
</tr>
<tr>
<td>Shetland</td>
<td>1</td>
</tr>
</tbody>
</table>


(b) *Other schemes - 1977*

<table>
<thead>
<tr>
<th>Type of Scheme</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community buses in operation</td>
<td>4</td>
</tr>
<tr>
<td>WRVS car schemes in operation</td>
<td>14</td>
</tr>
<tr>
<td>Other car schemes in operation</td>
<td>2</td>
</tr>
<tr>
<td>Hired village buses in operation</td>
<td>4</td>
</tr>
<tr>
<td>Commercial minibuses in operation</td>
<td>26</td>
</tr>
<tr>
<td>Open school buses in operation</td>
<td>14</td>
</tr>
</tbody>
</table>

Rail services are, of course, controlled directly by the Scottish Region of the British Railways Board, which is responsible only to central government.

Control over licensing of bus routes and fares applications are in the hands of independent tribunals known as the Traffic Commissioners. The Commissioners are appointed by the Secretary of State.

The whole structure is financed in the main by central government, either through direct support to transport operators (as in the case of British Rail and in the case of fuel tax rebates and New Bus Grants) or through local authorities, by means of an allocation within their Rate Support Grants for bus support. Some operations are self financing, (e.g. WRVS car schemes).

The actual sums involved are shown in Table 3 and the flows of financial resources may be depicted as in Figure I, which serves to illustrate the financial relationships between all the bodies involved.
Table 3: Public Transport Expenditure within the responsibility of the Secretary of State for Scotland

<table>
<thead>
<tr>
<th>Year</th>
<th>British Rail</th>
<th>Bus Services</th>
<th>Ferry Services</th>
<th>Concessionary Fares</th>
<th>Public Transport Investment</th>
<th>Central government support to STG</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972/3</td>
<td>-</td>
<td>0.7</td>
<td>0.8</td>
<td>5</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>1973/4</td>
<td>-</td>
<td>0.9</td>
<td>0.6</td>
<td>7</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>1974/5</td>
<td>4</td>
<td>1.1</td>
<td>0.7</td>
<td>9</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>1975/6</td>
<td>9</td>
<td>3.9</td>
<td>3.2</td>
<td>13</td>
<td>13</td>
<td>1</td>
</tr>
<tr>
<td>1976/7</td>
<td>8</td>
<td>5.3</td>
<td>3.5</td>
<td>13</td>
<td>13</td>
<td>1</td>
</tr>
<tr>
<td>1977/8</td>
<td>9</td>
<td>3.1</td>
<td>3.5</td>
<td>14</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>1978/9</td>
<td>9</td>
<td>(11*)</td>
<td>(13*)</td>
<td>15</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>1979/80</td>
<td>9</td>
<td>13*</td>
<td>13*</td>
<td>16</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>1980/81</td>
<td>9</td>
<td>13*</td>
<td>13*</td>
<td>18</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>1981/82</td>
<td>9</td>
<td>13*</td>
<td>13*</td>
<td>18</td>
<td>18</td>
<td>3</td>
</tr>
</tbody>
</table>

All figures: £m at 1977 Survey Prices.
* Combined bus and ferry and underground projected figures.
1 STG services only.

Sources: Hansard, written answers 8 March 1978
Figure I: Financial flows affecting rural transport provision

- - - - indicates direct financial linkage

--- local authorities may pay subsidies for travel directly to specific groups, e.g. by means of concessionary fares for OAP's, and school children.

---- indicates that individuals may be members of more than one group.

SDD: Scottish Development Department
SEPD: Scottish Economic Planning Department
SBG: Scottish Bus Group
Policy at the National (i.e. GB) level.

Within such a framework central government has attempted to set national policy guidelines for rural transport to be administered by local authorities throughout the country in exercising their duties under the terms of the Local Government (Scotland) Act 1973 and the Transport Act 1978 (for England and Wales). And yet within these guidelines the centre has expressed a wish to devolve more power and responsibility in this sphere, claiming that local authorities "are best placed to assess local need", and that "they are also democratically accountable, and to give more responsibility to them would fit well with the desire for sensible devolution of power from the centre,"(2). The Transport Under Secretary, Mr. John Horam outlined the government's position when saying that "we have provided the finance ... for revenue support for bus services in country areas ... (and) we are making available resources on an unprecedented scale to give people access to a wider social life and better employment opportunities"(3); and Mr. William Rodgers, the Secretary of State for Transport added, that of the three things rural transport needs - finance, stability and imaginative development - the first has been made available by central government, the second should be forthcoming in the PTP's* being prepared in England and Wales, but the third should be left to "local initiative" (4).

However, despite this expressed desire to devolve power to the local authorities, central government has remained adamant that its commitment to maintaining rural transport services should be supported wholeheartedly by local authorities. This standpoint arises from the centre's responsibility "to ensure minimum standards for essential services throughout the country", (5) and from the possibility that those groups identified/

* And in the TPP's in Scotland?
identified in Chapter One as being dependent upon public transport are perhaps in a minority in so far as voting potential is concerned and hence that their interests must be protected by the centre should a local authority choose not to do so itself. That central government is in a position to manipulate the policies of local authorities towards these ends, despite the supposed devolution of autonomy, stems from the fact that "in many counties only something like £16 in every £100 spent in support of bus services actually comes directly from their own ratepayers,"(6), the remainder coming from the central Exchequer. In all, in 1977/78 61% of relevant local authority expenditure was paid by central government (7), this fact pointing to the financial dependence of local government upon the centre. The possibility therefore exists for central government to 'punish' local authorities not spending enough on rural bus support by withholding payments to them for spending in other sectors, until they conform with central policies.

Further political reasons for wishing to maintain existing levels of bus services surround the fact that the current Labour government is bound towards protecting and stabilising the future for those employed in the bus industry. The majority of employees of the National Bus Company (who operate most rural services in England) and of the SBG, are members of the Transport and General Workers Union, (TGWU), and further cuts in rural bus services resulting in further unemployment amongst their members would not be acceptable. Between 1969 and 1977 the number of employees of the STG dropped from 19,105 to 14,144. Here the Government faces a dilemma. While recognising that 70% of the costs of bus operations are labour costs, (8), and that this is an area in which savings could be made, efforts have been made to stimulate experiments in developing labour saving schemes such as volunteer driven community minibuses and shared hired cars, (as with RUTEX). Such/
Such projects are seen as contributing towards solving the problems of providing areas which could not support viable conventional bus services, with public transport of one form or another. As such, the more widespread introduction of those schemes may help relieve the accessibility problems of many rural dwellers.

However, the TGUU is strongly opposed to moves of this type. They see the introduction of volunteer driven vehicles as leading to further unemployment and have pointed to the fact that people would not want other public services provided by volunteers, and so transport services should not be provided in this way either. In any case the TGUU have further argued that voluntary schemes are not really in the best interests of those who require publicly provided transport, this belief being sustained by the suggestion that many such projects have been initiated amidst great enthusiasm, but as the months go by it becomes increasingly difficult to find volunteer drivers as enthusiasm wears off.

Central - local relationships.

Bearing in mind the points made above it is interesting to examine the relationships which have developed between central government and local authorities in respect of rural transport planning. These relationships will be examined firstly in England, then Wales, and finally in Scotland, in order to determine how different attitudes have emerged and hence to comment on the adequacy of the existing machinery in Scotland for central monitoring of local policy effectiveness.

Central - local relationships in England.

Up until the current year when PTP's will be submitted for the first time, central government has made itself responsible for scrutinising the policies adopted by English county councils through their TPP submissions. By looking at non-metropolitan counties, it can be seen from Table 4 that the range/
range of expenditure on bus support as a percentage of
total transport spending by individual authority's varies
from Surrey's 23.3% down to Oxfordshire's 3.2%. And
according to William Rodgers, "there are some counties
which, having been given grant explicitly to support public
transport, have not in fact paid it over."(12). That such
a situation is not acceptable to Whitehall may be emphasised
by considering how it has reacted to the policies developed
in Oxfordshire over the past two years.

The County Council adopted the philosophy supposedly
underlining the TPP system, and backed up in the 1977 White
Paper, namely that the local authority is more accountable to
its populace in determining rural transport policies and levels
of support, than central government. The Council therefore
chose to allocate financial resources within their transport
budget as they deemed appropriate, resulting in 3.2% of their
total spending being devoted to bus support for 1979-80. As
an alternative to heavily subsidising the National Bus Company
network, Oxfordshire had set up a chain of local transport
groups, each representing a number of villages, and each
charged with the task of defining local needs, monitoring
changes in demand for public transport, and negotiating with
independent bus operators, the best means for satisfying
these needs. Such a policy development may be seen as the
realisation of a belief held by Oxfordshire's County Planning
Officer, John Blowers, that rural transport planning "must
involve finding new solutions concerned with matters of organ­
isation and relationships; derived from political guidance
and based on a philosophy of decentralising decisions where
they are responsive to local initiatives and needs. Where
such an approach is adopted it presents a challenge to
planning (and planners) who will need themselves to experiment
and innovate, unconstrained by conventional procedures and
processes," (13).

Central/
<table>
<thead>
<tr>
<th>County</th>
<th>Percentage</th>
<th>County</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surrey</td>
<td>23.3</td>
<td>Lincolnshire</td>
<td>6.4</td>
</tr>
<tr>
<td>Hertfordshire</td>
<td>22.5</td>
<td>Northumberland</td>
<td>6.3</td>
</tr>
<tr>
<td>Cheshire</td>
<td>15.1</td>
<td>Salop</td>
<td>6.2</td>
</tr>
<tr>
<td>Derbyshire</td>
<td>13.4</td>
<td>Bedfordshire</td>
<td>6.0</td>
</tr>
<tr>
<td>Cumbria</td>
<td>12.2</td>
<td>Humberside</td>
<td>5.4</td>
</tr>
<tr>
<td>Isle of Wight</td>
<td>11.7</td>
<td>Cambridgeshire</td>
<td>5.3</td>
</tr>
<tr>
<td>W. Sussex</td>
<td>11.6</td>
<td>N. Yorkshire</td>
<td>5.3</td>
</tr>
<tr>
<td>Hampshire</td>
<td>10.6</td>
<td>Warwickshire</td>
<td>5.3</td>
</tr>
<tr>
<td>Buckinghamshire</td>
<td>10.6</td>
<td>Hereford and</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Worcestershire</td>
<td>5.3</td>
</tr>
<tr>
<td>E. Sussex</td>
<td>10.3</td>
<td>Nottinghamshire</td>
<td>5.1</td>
</tr>
<tr>
<td>Durham</td>
<td>10.2</td>
<td>Devon</td>
<td>5.0</td>
</tr>
<tr>
<td>Lancashire</td>
<td>9.8</td>
<td>Norfolk</td>
<td>4.8</td>
</tr>
<tr>
<td>Cornwall</td>
<td>9.3</td>
<td>Northamptonshire</td>
<td>4.7</td>
</tr>
<tr>
<td>Staffordshire</td>
<td>9.1</td>
<td>Somerset</td>
<td>4.7</td>
</tr>
<tr>
<td>Avon</td>
<td>8.8</td>
<td>Wiltshire</td>
<td>4.7</td>
</tr>
<tr>
<td>Kent</td>
<td>8.4</td>
<td>Suffolk</td>
<td>3.6</td>
</tr>
<tr>
<td>Essex</td>
<td>8.0</td>
<td>Oxfordshire</td>
<td>3.2</td>
</tr>
<tr>
<td>Cleveland</td>
<td>7.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leicestershire</td>
<td>7.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gloucestershire</td>
<td>7.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dorset</td>
<td>7.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Berkshire</td>
<td>7.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from 'Motor Transport' 29 December 1978.
Central government reacted to this policy-attitude by threatening to cut its support for other elements in Oxford's TPP bid, in particular the road building programme. This led the leader of the County Council, Mr. Hugh Farrant to state: "The Council is not going to be bullied in this way. Mr. Rodgers is trying to force us into spending money on public transport in areas where there is as yet no firm evidence that it is needed." (14). The outcome of this conflict is awaited with interest, but the case does serve to illustrate the power which central government has maintained over the county councils by virtue of its control over the financial resources required by the local authorities for all sectors of transport spending. As William Rodgers said eighteen months ago, "... in the partnership I want to see fostered and sustained between central and local government, I have no intention of abandoning my commitment to retain and develop effective local public transport," (15).

From this example it is possible to hypothesise about the general nature of the relationship between the two levels of administration. Eddison considered whether local government in respect of all its functions, adopted an 'agency' or 'initiative' role, (16). As an agency it simply acts as "an administrative device for the provision of national services within an area", (17), whereas in an initiating role it operates as an independent institution (subject to the supremacy of Parliament), its relationship with central government being more that of partner. As Hepworth has stated, "these are real alternatives which are reflected consciously or unconsciously in the dealings between the two organisations. However local government has no defined constitutional role and its functions are only defined as part of a continuing process in stature, orders, circulars, memoranda and general communications," (18). Given these possible situations it could be argued that in the context of rural public transport planning, local autonomy is being suppressed by/
by central government in favour of local authorities being
given an agency role in that they should conform, within
strictly defined limits, to national policies.

In England then it would appear that Whitehall is
actively involved in maintaining this type of relationship.

Central - local relationships in Wales.

In Wales, the Welsh Office is responsible for monitoring
the policies adopted by local authorities. Examination of
levels of revenue support per head of population, has shown
that the highest paying county, Dyfed, paid out £2.68 per
head in 1978-79, whilst the lowest, Gwent, paid £0.88, (all
figures at 1976 prices), (19). However, in this case retri­
bution has not been so strong as in the English situation.
At a recent conference on rural transport held in Wales, a
representative of the Welsh Office was asked whether the
Office ever "withhold applications for TSG if the asking
counties were not 'toeing' the Government line." The reply
was that "no punitive measures are taken by the Welsh Office,
which accepted, for example, the ideas of reducing revenue
support in Gwent," (20). Why should this apparent difference
in attitude exist between the Welsh and English central admin­
istrations? One may only theorise that the nature of the
relationships which have emerged between central and local
government in England and Wales would appear to depend upon
the degree to which local authorities have shown to be dealing
with the public transport needs of their areas, whilst
supporting the nationalised bus operators. Central govern­
ment may only be able to assess this through the contents of
the counties annual TPP submissions. Hence if the TPP can
illustrate that reduced support for bus services is not
adversely affecting 'needs', then it will be accepted,
(witness Gwent). This assessment procedure does however
require two conditions to be met:-
1) That the TPP document is an adequate monitoring device,
and,
and,

2) That central government has staff available to analyse the TPP and hence to assess the effectiveness of local policies in dealing with 'needs'.

That the first condition has not been universally met may be illustrated by the fact that, as from the current year (1979-80), the TPP will be subsumed by the requirement for local authorities to produce PTP's. As Clyne has suggested elsewhere: "The PTP's may be looked upon as an essential part of the present Government's policy to maintain rural transport services, allowing the Department of Transport ... to keep a closer check on the activities of the non-metropolitan counties..."(21). As detailed in Chapter One, the PTP requires more explicit statements of policy and descriptions of the methods being employed by county councils to ensure that the needs of their areas are being met. For some counties (e.g. Cwyned) this will only require a transfer of their former comprehensive TPP Public Transport Section into the format required for the PTP. For others it will mean having to engage in a greater deal of effort in respect of preparing positive strategies for meeting the requirements of their rural areas.

The second condition outlined above has certainly been met in England where the staff resources of the Department of Transport are adequate to make any necessary assessments. In Wales too, the Welsh Office has been instrumental in establishing a Transport and Traffic Studies Unit within the University of Wales, and it is expected that this body will provide valuable analytical feedback on county council policies.

But what of the situation in Scotland?

Central - local relationships in Scotland.

Local authorities in Scotland tend to spend less on bus support than their English counterparts. Total planned passenger/
passenger transport subsidies for bus services in Scotland for 1979-80 is 6.7% of the global sum allocated for local transport spending, (22), (also see Table 5).

Table 5
Scottish local authority* expenditure on public transport 1978-79

<table>
<thead>
<tr>
<th>Region</th>
<th>£ per head of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highland</td>
<td>5.2</td>
</tr>
<tr>
<td>Borders</td>
<td>5.0</td>
</tr>
<tr>
<td>Dumfries &amp; Galloway</td>
<td>4.4</td>
</tr>
<tr>
<td>Strathclyde</td>
<td>3.6</td>
</tr>
<tr>
<td>Tayside</td>
<td>2.9</td>
</tr>
<tr>
<td>Central</td>
<td>1.7</td>
</tr>
<tr>
<td>Fife</td>
<td>1.5</td>
</tr>
<tr>
<td>Lothian</td>
<td>1.2</td>
</tr>
<tr>
<td>Grampian</td>
<td>0.9</td>
</tr>
</tbody>
</table>

*Only regional councils are exhibited here.


The Scottish Development Department (SDD) is responsible for monitoring local authorities TPP's, and the intentions of the Department have always been clearly spelled out. Prior to the production of the first Scottish TPP's, the SDD informed local authorities that "public transport will have an important role in all regions and islands areas and will require provision in TPP's" (23). That the SDD appears satisfied with the progress being made in respect of this by Scottish local authorities, and by implication the adequacy of the TPP as a monitoring device, is borne by the fact that it has not been considered necessary to introduce PTP's here because "the smaller number of local authorities ... and the consequent closer ties between central and local government, have led those concerned to believe that similar results can be achieved through the use of the TPP documents," (24). Towards this end local authorities were informed that the content of their next TPP's (i.e. TPP 4, 1979-84) should place/
place "the main emphasis ... on the planning of public passenger transport," (25). Further evidence suggesting that the SDD are not concerned that some local authorities might not be adequately catering for the rural transport needs of their areas emanates from the discovery that no pressure has ever been put on any Scottish regional councils to adopt a more aggressive attitude to rural transport planning, (26). And the replies made by the SDD to the most recent round of TPP submissions (i.e. 1978-83) adds weight to this point. For instance the comments made to Grampian Region stated: "The Secretary of State is interested in the continuing review of rural transport problems in the Region ... The initiative being taken in respect of post bus services in the Rhynie area and between Ballater and Braemar is welcomed," (27). The emphasis tends to be on applauding the past achievements of local authorities, regardless of how minor these may have been, with little explicit guidance being given as to what further progress could be made, and with no constructive criticism offered of the planning methodologies being employed to determine need at regional level. In fact, some Scottish regional councils have as yet failed to develop any such methodologies. The SDD would no doubt argue that the forthcoming Fourth TPP's with their emphasis on public transport will allow a more objective appraisal of the situation to occur. However, the Draft copies of these documents available at the time of writing bear witness to the continued lack of commitment towards dealing with rural transport issues in some areas. In Grampian Region for instance, the opportunity given to outline a positive public transport strategy was spurned, the Council deciding "to point out to the SDD that the priority for public transport (asked for in the 1979-84 TPP) should not preclude due emphasis on improvement of roads," (28).

It remains to be seen whether or not the SDD will react more strongly towards such attitudes than they have done in the/
the past and hence whether or not they can be more influential in effecting a change of attitude by some local authorities towards rural transport planning. The indications are however that in many cases the only way local authorities will be seen to take an active interest in rural transport, is to make it a statutory responsibility for them to prepare PTP's as in England and Wales. At present the variety in the nature and level of content of the rural transport component of Scottish TPP's is highly significant in that it emphasises the lack of guidance accruing from the centre as to the type of progress which local authorities should be making in this field. The role of local authorities in Scotland in the process of rural public transport planning requires clarification and this may only be achieved through the requirement for them to produce PTP's, a procedure through which central government lays down explicitly the nature of the work it requires local authorities to become involved in, whilst allowing the authorities to develop the detail of that work as they please, subject to central approval. The existing TPP procedure is inadequate, leading as it does to ad hoc local approaches to rural public transport planning, whilst neither allowing central government to adequately assess the progress being made by the local authorities. Although the 1979 TPP's are to contain a section on public transport there is no stipulation for this to be updated annually, and there is no detailed guidance from SDD as to what exactly should be included in the TPP.

Much may be learned from the situation in England and Wales where the central administrations would appear to have been more active in assessing the performance of local authorities. The blame for the relative lack of interest in rural transport planning in certain areas of Scotland cannot be placed solely at the feet of the regional councils. In fact some, e.g. Strathclyde, have made commendable efforts towards/
towards improving the accessibility situation for their rural inhabitants (29). However, others, e.g. Grampian (as will be illustrated in more detail later) appear to have made little attempt to strive towards a comprehensive analysis of the needs of their area. Part of the fault for this situation must lie with the Scottish Office which has failed to give guidance to local authorities in respect of the directions in which they should be progressing. It is suggested therefore that the Scottish Office should adopt a more active role towards local rural transport planning by proposing the extension of the PTP system to Scotland, and by indulging in a more rigorous assessment of local authority policies. The SDD would then be responsible for analysis of the PTP's and for collating and disseminating information to local authorities on possible methodologies for determining transport needs.

Problems facing local government.

Having articulated the nature of the relationships between central and local government and the problems facing the former in ensuring that national policies are adhered to, it is now also necessary to highlight the problems which face local authorities in drawing up policies for rural transport. Policies must frequently be developed in an environment of uncertainty due partly to the inconsistencies of central government policies.

Despite one of the greatest benefits of the current system of local transport planning lying in the fact that "one body (i.e. county or regional council) is responsible for a higher proportion of the factors influencing transport as a whole than has ever been the case before," (30) it is also significant that "not all relevant specific grants have been absorbed into the new system,"(31). The New Bus Grant (NBG) for instance is paid directly from central government to bus operators. Under present arrangements, stemming from the 1968 Transport Act, central government pays for 50% of the capital costs of a company buying new buses for use on stage carriage services. However/
ever, it is intended that this Grant be phased out after 1981, the reason for its introduction - the conversion of fleets to one man operation - having been largely attained by then by most companies. This proposal has met with considerable opposition from a number of sources, including the Convention of Scottish Local Authorities. Mr. Tom Marsden, an Executive Director of the SBG also expressed the Group's concern about the financial implications of such a development recently, (32). And the Confederation of Passenger Transport (CPT) have shown that the Bus Grant was worth £57 million in 1978 and that the loss of such income would almost certainly have an adverse effect on fares and levels of service, (33). Central government is then under some pressure to retain the NBG, with even a Select Committee on Nationalised Industries (SCNI) recommending that the grant should be maintained in its present form beyond 1981, (34). Should the grant be phased out however, local authorities will be faced with greater claims from bus operators for support for increased deficits incurred on operating accounts due to the need to buy new buses. Central government would then in turn be faced with higher bids for transport expenditure from the local authorities. And whether or not these claims would be met is uncertain given the existing pressures on public spending. Furthermore it is doubtful if many local authorities would be prepared to make up the shortfall given some current attitudes towards supporting rural bus services.

Another element outwith the control of local authorities to a great extent, but fraught with financial uncertainty, is the potentially damaging effects of EEC transport policy regulation 543/69 on operating costs. This regulation, which will come into force in October 1979 will limit the number of hours worked per day by bus drivers to eight and a half, compared with ten at present. In Grampian Region "provisional estimates show that these cost increases could be in excess of three quarter of a million pounds for W. Alexander and Sons/
Sons (northern) Ltd., (i.e. the SBG company operating in the Region). These costs arise mainly from the requirement to employ more men to carry out the same proportion of work, "(35). The severity of such cost increases is put into perspective by consideration of the fact that the total expenditure on revenue support for non-local authority bus services in Grampian in 1976-77 was £520,000 and 95% of that was for Alexanders.

The high percentage of labour costs within the overall costs account also exposes rural transport expenses to the vagaries of inflation rates. High wage increases must be met by either increased fares or by increased revenue support from local authorities.

Uncertainty also surrounds future levels of public expenditure and within this, the total allowance made by central government for rural bus support. The 1976 Public Expenditure White Paper advocated almost halving local bus and rail support by 1980-81, whilst a change in policy emerged in 1977 with the proposal to radically increase bus revenue support, (35).

The possible change in the balance of political power in central government also promotes uncertainty. In the autumn of 1978, Mr. Rodgers, the Transport Secretary claimed that the Conservatives "were planning another 'Beeching' operation, with widespread cuts in rural bus services and in British Rail", (37), which would be implemented should they come to power.

Given such uncertainties it is perhaps understandable that some local authorities are loathe to commit themselves to long term plans for providing rural transport. As the Opposition spokesman on Transport, Mr. Norman Fowler, said at the Second Reading of the Transport Bill (1978): "The county councils are concerned about the total silence of the Government on resources. Councils will produce five year/
year plans, and councils will enter into ... agreements with the operators, but they see no commitment on the Government's part to match them,"

It would seem that if effective rural transport planning with long term stability is to proceed in Britain, a clearer definition of both local and central government responsibilities is required. Progress has been made in this field by the introduction of PTP's in England and Wales, and they should lead to improved rural transport facilities, if central government, when approving a local authority's plan, agrees to support it financially throughout its operational life (i.e. 5 years). In Scotland the situation remains disjointed. Regional councils still lack specific guidance from central government as to how they should be proceeding with their rural transport functions and this has led to differential degrees of progress being made in different areas. Unlike the situation in England and Wales the central administration in Scotland (the SDD) has made little attempt to effectively monitor the performance of local authorities and to put any pressure on them to become more actively involved in positive rural transport planning.

Final remarks on central - local relationships.

What final recommendations can be made then for the future development of central - local relationships, particularly as they relate to the quality of the rural transport planning process in Scotland?

Firstly it is suggested that central government should continue to set national policy guidelines for rural transport and that these policies should be implemented by the top tier local authorities. This arrangement is necessary because central government is responsible for ensuring that hardship, resulting from a lack of public transport services, is not endured in any part of the country, whilst the involvement of local authorities is necessary as they are best placed to determine local needs which are not currently being met. Having said that it must further be suggested that central government/
The government should also be responsible for monitoring local authority policy implementation procedures, to ensure that methods for assessing and meeting 'needs' are being developed, and to give guidance to local authorities as to how these methods may be improved upon.

Next, it is proposed that the TPP system in Scotland is inadequate for this purpose in that the rural transport content of many TPP's is not detailed enough, and that the system, by being non statutory, requires no long term commitment from local authorities. Although the 1979 TPP's are to contain a section on public transport, there has been no request for this to be updated annually, and no guidance from SDD as to what exactly should be included in the TPP.

Finally, a reiteration of a point stressed throughout this section, namely that PTP's should be introduced in Scotland in order to overcome the ad hoc approach to rural transport planning which prevails in this country.
Notes and References

2. Cmnd 6836 June 1977 'Transport Policy', para. 44.
8. Figure quoted from Scottish Transport Group 'Annual Report and Accounts', 1977.
9. This view was expressed by Raymond MacDonald, Scottish Secretary of the TGWU at a Chartered Institute of Transport seminar entitled 'Trade Unions and Transport', held at the University of Glasgow, 27th November 1978.
10. Ibid
11. Ibid
18. Ibid.
22/
22. Figure calculated from statistics provided in Hansard, 8 March 1978, and from SBG estimates of required revenue support for 1979-80.


26. Personal communications with officials of Regional Councils.

27. SDD reply to Grampian Region TPP. Letter dated 27 April 1978.

28. Grampian Regional Council, Transportation and Roads Committee, Minute of meeting held on 23 May 1978.

29. See, Ochojna, A.D. and Brownlee, A.J. 'Simple Indices for Diagnosing Rural Transport Problems'. Traffic Engineering and Control, October 1977. This paper outlines the methodology adopted in Strathclyde Region for determining rural transport needs.


32. A view expressed at a Chartered Institute of Transport seminar held at the University of Glasgow, 30 October 1978.


34. Select Committee on Nationalised Industries, 8th Report 1978 'Innovations in Rural Bus Services'.


CHAPTER THREE

THE PERFORMANCE OF THE SCOTTISH BUS GROUP AND ITS RELATIONSHIPS WITH LOCAL AUTHORITIES.
Given the problems faced by local authorities in determining rural transport policies in an environment of uncertainty, and given the worries facing central government in respect of whether or not local authorities are adhering to national policies, it is perhaps pertinent to ask whether or not local authorities should in fact have responsibilities for rural public transport planning at all. This is a question which has been little considered since local government reorganisation. However the TGWU in their submission to the Select Committee on Nationalised Industries in 1978 were in no doubt that "a national policy for public transport, under the direction and control of the Secretary of State for Transport (should) be applied, ensuring that services are commensurate with public need and that revenue support is made available direct to the operator, subject to the Traffic Commissioners' authority on fares." The TGWU representative at the same meeting further proposed "that there is a closer affinity to the public need portrayed by the network operators than has been portrayed ... by the counties." (1) Certainly should a return be made to this type of set up then it would be more easily instigated in Scotland with the central administration, the Scottish Office, having to deal with a smaller number of operators than in England. However, at a time when local government is being encouraged to adopt a more corporate approach to the planning of its activities it would appear regressive to remove from them a function which is integrally part of the physical planning framework. There seems little sense in having one public body exclusively responsible for planning public transport whilst another determines rural development policies. Furthermore, under the system proposed by the TGWU there would be no organisation concerned with attempting to stimulate more unconventional forms of transport in areas where operators would not provide a service.

However, such a proposal must be given a more objective appraisal/
appraisal if one is to determine the best means of organising rural transport provision in Scotland. To do this it is necessary to consider firstly the stated objectives of the main provider of rural transport - the Scottish Bus Group - and measure these objectives against some criteria of performance. This should indicate whether or not the SBG could be left to determine the needs of rural areas in the interests of those who depend on it. Such an analysis would also hopefully identify those aspects of the SBG's operations which might be improved upon.

This latter aim requires consideration to be given to the existing situation - the relationships between the SBG and local authorities - how they have evolved and what impact they have had on the quality of decision making relating to rural service provision.

It is hoped that this should allow more objective comment to be made on where responsibility for rural transport planning at the operational level, might lie in the future, and what it might mean in specific terms for the administrations involved.

The Performance of the Scottish Bus Group

As noted in the previous chapter the majority of rural public transport services are bus services and are operated by subsidiaries of the SBG. Their actual operating areas are shown on Map 1.

The role adopted by the SBG is therefore crucial in determining the effectiveness of the framework in which rural public transport is provided and analysis of their stated objectives is necessary in considering whether or not they should be wholly responsible for determining levels of service in rural areas. The main stated corporate aims of the Scottish Transport Group, within which the SBG is incorporated, are:-

(a) to provide, at reasonable fares, a comprehensive network/
Map 1

OPERATING AREAS OF SBG SUBSIDIARIES

1 HIGHLAND OMNIBUSES
2 W ALEXANDER & SONS (NORTHERN)
3 " " (MIDLAND)
4 " " (FIFE)
5 CENTRAL SMT
6 CALEDONIAN MacBRAYNE / DAVID MacBRAYNE
7 WESTERN SMT
8 SCOTTISH OMNIBUSES
work of reliable, punctual and attractive services to meet all existing and future requirements.
(b) to plan and develop services to meet changing traffic needs. This will take into account requirements of Regional and District Councils with particular reference to local planning, education needs, industry, the elderly and disabled, traffic management and other related matters.
(c) to maintain the Group's involvement in consultation with central and local government to ensure the furtherance of the Group's objectives in assisting in the development of passenger transport by all possible means (Adapted from Memorandum submitted by STG to Select Committee on Nationalised Industries, 1978). In addition to these objectives it should also be realised that the Group has the statutory obligation to break even financially, taking one year with another.

Now let these corporate objectives be compared with some indicators of SBG performance. Tables 6 - 9 provide some useful data for this purpose.

Table 6

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of buses/coaches</td>
<td>4721</td>
<td>4712</td>
<td>4580</td>
<td>4532</td>
<td>4531</td>
<td>4514</td>
<td>4304</td>
<td>4134</td>
<td>4084</td>
</tr>
<tr>
<td>Passenger journeys(millions)</td>
<td>555.7</td>
<td>463.8</td>
<td>454.3</td>
<td>453.5</td>
<td>456.5</td>
<td>395.5</td>
<td>391.6</td>
<td>373.7</td>
<td>358.3</td>
</tr>
<tr>
<td>Miles in service(millions)</td>
<td>168.2</td>
<td>148.1</td>
<td>152.2</td>
<td>149.1</td>
<td>147.2</td>
<td>134.0</td>
<td>145.5</td>
<td>139.2</td>
<td>130.0</td>
</tr>
<tr>
<td>Revenue Grants (£m)</td>
<td>-</td>
<td>-</td>
<td>0.1</td>
<td>0.7</td>
<td>0.9</td>
<td>1.1</td>
<td>3.9</td>
<td>5.3</td>
<td>3.1</td>
</tr>
</tbody>
</table>

Source: Scottish Transport Group Annual Reports and Accounts 1977

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<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.30</td>
<td>3.13</td>
<td>2.98</td>
<td>3.04</td>
<td>3.10</td>
<td>2.95</td>
<td>2.69</td>
<td>2.68</td>
<td>2.75</td>
</tr>
</tbody>
</table>
Table 7

Average mileage per bus owned: Comparison of SBG with other operators

<table>
<thead>
<tr>
<th></th>
<th>1976</th>
<th>1977</th>
<th>% age change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Transport Executives (PTE's) and Municipal Sector</td>
<td>28,403</td>
<td>28,732</td>
<td>+ 1.2</td>
</tr>
<tr>
<td>NBC</td>
<td>35,669</td>
<td>35,995</td>
<td>+ 0.9</td>
</tr>
<tr>
<td>London Transport (LT)</td>
<td>26,202</td>
<td>26,409</td>
<td>+ 0.8</td>
</tr>
<tr>
<td>SBG</td>
<td>33,672</td>
<td>31,832</td>
<td>- 4.5</td>
</tr>
</tbody>
</table>

Table 8

Total vehicle miles operated (million)

<table>
<thead>
<tr>
<th></th>
<th>1976</th>
<th>1977</th>
<th>% age change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTE's/Municipals</td>
<td>466</td>
<td>459</td>
<td>- 1.4</td>
</tr>
<tr>
<td>NBC</td>
<td>697</td>
<td>678</td>
<td>- 2.7</td>
</tr>
<tr>
<td>LT</td>
<td>182</td>
<td>179</td>
<td>- 1.6</td>
</tr>
<tr>
<td>SBG</td>
<td>139</td>
<td>130</td>
<td>- 6.5</td>
</tr>
</tbody>
</table>

Table 9

Passenger journeys made (million)

<table>
<thead>
<tr>
<th></th>
<th>1976</th>
<th>1977</th>
<th>% age change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTE's/Municipal Sector</td>
<td>3106</td>
<td>2993</td>
<td>- 3.6</td>
</tr>
<tr>
<td>NBC</td>
<td>1856</td>
<td>1800</td>
<td>- 3.0</td>
</tr>
<tr>
<td>LT</td>
<td>1423</td>
<td>1373</td>
<td>- 3.5</td>
</tr>
<tr>
<td>SBG</td>
<td>374</td>
<td>358</td>
<td>- 4.3</td>
</tr>
</tbody>
</table>

Source: Tables 7-9, Higginson, M. Motor Transport 3 November 1978.

As can be seen from Table 6 the picture is one of overall decline in terms of miles in service, passenger journeys made, number of buses available, etc. Furthermore the general trend appears to indicate a fall in the number of passenger journeys being made per mile in service. Tables 7 - 9 also show that these indicators of performance compare very unfavourably with those of other operators, including the/
the National Bus Company in England. Table 7 for instance shows that whilst NBC was slightly improving its productivity in terms of miles per bus in 1976-77, the SBG was becoming more inefficient. (Miles per bus here refers to miles operated in stage carriage service). And in Table 9, whilst both companies were losing out in terms of passenger journeys made, the SBG's totals were seen to be falling more rapidly than those of NBC.

Although it is admitted that statistical comparisons such as these should be treated with caution it should however be pointed out that the SBG was given the opportunity to challenge the validity of these criticisms, outlined above, but was unable to adequately defend itself, (2).

The SBG compares equally unfavourable with the fares it levies on its services. Peter White has claimed that "the SBG charges fares at a notably higher level than most NBC companies in England and Wales,"(3), this point being proved by a comparison of fares charged on the Oxford - South Midland Company services with those charged on SBG services (Table 10).

Table 10
Comparison of NBC and SBG fare scales.

<table>
<thead>
<tr>
<th>Distance</th>
<th>Operator and Ticket Type</th>
<th>Scottish Bus Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Oxford - South Midland Shoppers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>Return</td>
</tr>
<tr>
<td>10 miles</td>
<td>30p</td>
<td>48p</td>
</tr>
<tr>
<td>15 miles</td>
<td>35p</td>
<td>56p</td>
</tr>
<tr>
<td>19 miles</td>
<td>40p</td>
<td>63p</td>
</tr>
<tr>
<td>25 miles</td>
<td>40p</td>
<td>63p</td>
</tr>
<tr>
<td>31 miles</td>
<td>45p</td>
<td>71p</td>
</tr>
</tbody>
</table>


Not only are higher single way journey fares higher, but the SBG's/
SBG's lack of reduced return tickets exacerbates the differences.

In addition to these poor indicators of performance, the SBG's Annual Report does little to encourage hope for the future for consumers of their services: "With bus patronage continuing to decline and costs continuing to rise, financial constraints become predominant in the determination of service levels. . . . increased costs must inevitably be passed on to the travelling public, either in the form of increased fares or by way of service reductions," (4). From such a statement it would appear that the SBG management are adopting a rather negative attitude to the task that faces them. Rather than bemoaning the dilemma confronting the industry they would be better employed exploring means of attracting more traffic to their services instead of accepting decline as being inevitable.

Contradictions between objectives and performance.

An apparent contradiction exists between the stated objectives and the actual performance of the SBG. At the last meeting between the SBG and the SCNI in 1978, the Committee suggested that the Group's objectives might be "a bit unrealistic", to which the Group conceded that a list of objectives "only really tell the public your aims, it does not tell them how efficient you are at it," (5). The SCNI hence concluded their investigations by stating that, as far as the SBG's performance was concerned, "their financial responsibility appears to take overriding precedence," (6). In other words the Bus Group gave the impression that they were more concerned with avoiding making a loss than they were with providing a service to meet the needs of the people.

Given this view and given the conventional wisdom shared by William Rodgers amongst others, that rural public transport services can never pay their own way to any great degree (7), it is doubtful if the Bus Group could be considered suitable for/
for administering the rural transport planning process in the way suggested by the TGWU. It is for this reason that local authorities have been provided with financial resources by central government for use on supporting rural bus services which could not be financed by the SBG, and that they have been given powers to determine levels of service in their areas. The nature of the relationships which have developed between the local authorities and the Bus Group is therefore of crucial importance for the quality of services which might accrue from the decision making output of these relationships.

Relationships between the SBG and local authorities.

It has been suggested that in the initial period after local government reorganisation "the Bus Group considered that ... the local authorities were interfering in their business of operating bus services," (8). That relationships between the two were somewhat strained may be exemplified by events in Fife in 1976 when the Group implemented massive service cuts with little prior consultation with the regional council, (9).

The history of consultation between local authorities and the SBG dates back to the 1968 Transport Act when tenuous relationships emerged. As stated earlier, some counties paid revenue support to the Group, whilst others ignored all such claims. The degree of cooperation was minimal.

With the implementation of the 1973 Local Government (Scotland) Act upon local government reorganisation in 1975, the duties imposed upon regional councils in respect of public transport planning included a requirement for them to act "in consultation with persons providing bus services in their area," (10). Hence, whether they liked it or not, greater communication between the two bodies had to take place.

Giving local authorities more direct responsibility for supporting rural services, with revenue support coming from local/
local rates as well as from central government funds, encouraged these authorities to engage in a more rigorous analysis of the performance of the SBG subsidiaries operating in their areas. Progress in this field has been steady if not slow. For instance it was not until the latter half of 1977 that the 'Grampian Joint Advisory Committee on Bus Operations' was set up, although more informal meetings did take place between the SBG and the Region prior to this. The Committee comprises both officers and members of the Council and officials of the Bus Group. In fact, more Regions now have liaison committees or working parties dealing with public transport operations, and relations between the SBG and the Regional Councils are generally described as being 'very good', (11).

**Route Costing.**

In the period since 1975 it has been discovered that most SBG subsidiaries had little accurate knowledge of where losses were actually occurring in their route network. This was due to the universal application of average route costing techniques whereby "losses were allocated to routes by deducting the revenue per mile from the average cost per mile, and then multiplying this by the mileage involved," (12). This procedure was justified on the grounds that "there are not major cost differences on these routes," (13). Unfortunately this assumption cannot be upheld if one considers that some routes are one-man-operated, that some operate through and within major urban centres, while others are mainly or entirely rural. As Thomson and Hunter pointed out in 1973, "With an average cost figure for a whole company, it is impossible to determine with any accuracy the profitability of particular routes," (14). And White has shown that "only recently has it been accepted that the average cost per mile in rural areas may be very much lower (than elsewhere) since average speeds are higher," (15).

That such conclusions were accepted and acted upon in England/
England much earlier than they have been here is shown by
the fact that as early as 1973 the NBC produced its
'Operating Costing Manual' which pointed to improved
methods for assessing operating costs on a route basis,
whilst it is only in the current year that the SBG has been
able to introduce individual route costing. And so up
until the present date decisions have been made on whether
or not to maintain rural bus services in Scotland on the
basis of figures produced from average route costing tech­
niques!

The inadequacies of this situation were highlighted
in the Fife Region TPP for 1979-80, (see Table 11)

<table>
<thead>
<tr>
<th>Route</th>
<th>Route Cost Profit/(Loss)</th>
<th>Average Cost Profit/(Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Dunfermline - Blairhall</td>
<td>949</td>
<td>9,439</td>
</tr>
<tr>
<td>2. Dunfermline - Upper Largo</td>
<td>(10,659)</td>
<td>18,509</td>
</tr>
<tr>
<td>3. Dunfermline - Ballingry</td>
<td>15,849</td>
<td>53,292</td>
</tr>
<tr>
<td>4. Cowdenbeath - Kirkford</td>
<td>(9,998)</td>
<td>(1,184)</td>
</tr>
<tr>
<td>5. Leven - Windygates - Kennoway</td>
<td>2,778</td>
<td>16,838</td>
</tr>
<tr>
<td>6. Leven - Methilhill via Methil</td>
<td>(4,933)</td>
<td>879</td>
</tr>
<tr>
<td>7. Newcastle - Pitteuchar</td>
<td>(1,454)</td>
<td>136</td>
</tr>
<tr>
<td>8. Leven - Markinch via Star</td>
<td>700</td>
<td>(575)</td>
</tr>
</tbody>
</table>

Source: Fife Regional Council Transport Policies and
Programmes 1979/80.

It can be seen from the above table that average costing
methods totally distort the true picture. In services, 1,
3 and 5 above one can note how the profit margin was extrem­
ely/
ely exaggerated under the traditional system. In services 2, 6 and 7, routes which have been found to be making a loss under individual route costing procedures, were thought to be profitable under the average cost technique. In the case of service 2 in particular the difference in figures obtained was exceptionally large. Service 4 above is exemplary of a case where the losses accruing to a route were underestimated. And service 8 is indicative of a situation whereby a route appearing as a loss maker under average costing is in fact making a small profit.

It would appear then that local authorities, being responsible for ratepayers money which is utilised in subsidies, may have been instrumental in initiating moves towards improved costing systems being introduced by S.B.G. operators. This should lead to improved decision making now that a more accurate impression of the viability of specific routes can be obtained. Rural services in particular should benefit as the introduction of individual route costing is expected to reduce the requirements for revenue support in many areas, (16). What remains incredible is that such a costing system as that used until this current year should have survived unchallenged for so long in the bus industry, and that decisions regarding whether or not a service should be cut were based on figures calculated by such an inaccurate method. It would not be unrealistic to suggest that some rural bus services which may in fact have been financially viable were axed because they did not appear so under the average costing method.

Whether or not the SBG would have adopted individual route costing techniques by now without local authority prompting must remain unknown. But the evidence from their indicators of performance and the attitude expressed in their annual reports suggests that they would have been more likely to simply cut services which appeared to be heavy loss-makers as a means of improving the economics of their operations. In this field then, local authority involvement in the rural transport/
transport planning process has paid dividends with the realisation, perhaps belatedly, but a worthwhile realisation all the same, of an improved data base from which decisions about rural service viability may now be made.

Pricing Policies.

Despite the advances made in the development of more accurate costing procedures, very little experimentation has occurred in the sphere of adopting flexible pricing policies as a means of increasing rural bus usage. Again greater initiative has been shown elsewhere. In England and Wales many NBC subsidiaries have themselves introduced experiments with reduced fares, whilst others have done so with support from local authorities, (e.g. Crosville Co. and Gwynedd County Council). Neither the SBG nor any of the Scottish regional councils have shown much interest in initiating such schemes, although the latter generally unquestioningly donate annually, sums in excess of those provided for revenue support, for concessionary travel by old age pensioners (OAP's) and school children. In Grampian Region in 1978-79, £450,000 was allocated for revenue support for bus services, £850,000 for concessionary fares, and school buses cost £1,600,000, (17).

However, the lack of interest in offering, for instance, cheap shopping trip return tickets in off-peak periods, is disappointing especially when one considers the view held by one commentator prior to the introduction of the 1973 Local Government Act: He said that local authorities would "have the opportunity for taking initiatives which could have a marked and swift impact on the appeal of public transport services to the general public," (18). Little progress has yet been made towards achieving this goal.

Although some local authorities object to SBG proposals to raise fares annually, they themselves must also accept responsibility for failing to adopt a more positive attitude towards fares policies for rural services. Regional councils have/
have the powers to come to an agreement with operators over experimenting with reduced fares. For instance, an arrangement could be made whereby, for a specified route, the existing operating deficit could be calculated, and the expected deficit under reduced fares could be calculated, with the regional council agreeing to pay the difference if the scheme was not successful.

However, in 1978, the SBG had to admit to the SCNI that they still offered no differential fares on rural stage carriage services, (19). And yet it has been suggested that shopping trips, for example, in rural areas, may be price elastic "and may be justified commercially", (20). However, when questioned by the SCNI on their lack of experimental activity in this field, the SBG representative explained that the Group relied upon the findings of NBC studies for guidance "and we find there of course that the quite clear direction is that reducing fares very much reduces revenue," (21).

It could be however, that this argument is invalid. Although a later meeting of the SCNI admitted that "it is not necessarily true to say that ... demand is so elastic that a fares reduction will produce a net gain in revenue", (22), they did suggest that even if off-peak reductions of fares produced a net loss in revenue it is not necessarily unjustified: "On the average cost pricing adopted by most bus operators (i.e. the same rates in peak and off-peak), a cross subsidy may exist between off-peak and peak, i.e. the off-peak passenger is making more than his or her contribution to total costs, and the peak passenger failing to do so. The extent to which this occurs depends on the costing system used, but even on several different assumptions it may be shown that the higher peak costs caused by the need for additional vehicles will often result in a much higher average cost per peak passenger," (23). On the basis of these assumptions it was then suggested that if the off-peak passenger is more price sensitive (as appears likely) then total traffic may be maximised for a given/
given revenue target by offering lower fares in the off-peak than in the peak. The argument used here is that although reduced fares may not improve revenue, they may at least lead to greater use being made of existing services.

The SCNI concluded on the matter by emphasising that so far as the SBG is concerned, pricing policy was "an area in which some innovations may be anticipated", (24).

Pricing policy is also very much intertwined with factors associated with fares increases. Research and initiative directed towards assessing the impact of fares increases is however another area in which the SBG and local authorities are found to be lacking.

Fares increases on rural services are directly linked to a decline in patronage, (25). Such a relationship is usually described as the 'elasticity of demand' and is expressed in statistical terms. For example, if fares rise by 10% and passenger trips drop by 3%, the elasticity is portrayed as being -0.3. However, despite much research into elasticities by the Transport and Road Research Laboratory, (26), there is no single value which, once measured, has been found to be valid for all occasions. It has been suggested that "although ... on average, the overall fares elasticity is about -0.3, there is considerable variation from one company to the next," (27). And according to one author, "rural demand .... is more responsive to price than is urban bus demand: a higher proportion of trips relate to non work purposes, and their frequency is thus optional," (28). It has further been suggested that the elasticity in rural areas may be as high as -0.6, (29). And yet neither the local authorities nor the SBG have shown much concern about the impact of fares increases in rural areas. In their evidence given to the SCNI last year the SBG/
SBG congratulated themselves on the fact that in 1977 they had arrested passenger resistance to fares increases to a 3½ per cent decrease, this being a substantial improvement on previous years.

Little knowledge exists as to the type of passengers who 'resist' fares increases. Fares rises may price unnecessary trips out of the market for some groups thereby reducing the revenue accruing to the operator rather than increasing it, and hence may endanger the viability of a particular service. Fares increases may cause hardship by enforcing low income groups to spend more on transport than they might be able to afford, thereby depriving them of being able to spend money on other products. Perhaps more seriously, higher fares may make necessary trips (such as journeys to work or journey to health facilities) impossible, thereby resulting in extreme hardship or in enforced migration to an area or village where public transport is available, or where the facility to which access is required, is provided. The possibilities are endless and yet neither the SBG, nor the local authorities are in a position to determine what the impact might be.

Recognition is already given to the fact that OAP's may be particularly affected by fares increases and most Regional Councils now offer concessionary tickets. It seems peculiar therefore that thought has not been given to extending the use of concessions to other groups who may be similarly adversely affected. There could be a case for encouraging the Bus Group to apply for fares increases to wholly cover operating costs and for local authorities to implement a more discriminatory system of concessionary fares aimed at low income groups, OAP's and perhaps even housewives. Whilst adopting this system, the local authority would also remain responsible for supporting any additional services which the Bus Group might not wish to operate in rural areas, but/
but which would be necessary for people to use their concessionary tickets. There would be little point in offering concessions if there were no bus services on which they could be used! Such a system would involve perhaps a greater financial commitment from local social work budgets (from where existing concessionary fares are paid) rather than necessarily from local transport budgets.

No attempt is being made here to outline the practicalities of this type of scheme. Rather it is intended only that attention should be brought to the lack of willingness of, (a) local authorities, in pursuing matters of this nature, and, (b) the SBG in experimenting in any way whatsoever with pricing policies.

Final remarks

It would appear from the case put forward in this Chapter that the efficiency of the SBG in providing rural bus services must be questioned. The attitude of the Group management towards the decline in patronage being experienced is much too negative. A more aggressive approach to providing services must be adopted, and a greater enthusiasm to experiment engendered.

The development of generally good working relationships with local authorities has led to a number of beneficial effects, notably the development of more accurate costing methods. However, the scope for greater initiative in meeting rural travel needs, which the existence of local authority - SBG partnerships should provide for, remains largely untapped.
Notes and References

1. Minutes of evidence taken before a sub-committee of the SCNI in preparation of their 8th Report (HC 635), published 26 July 1978, entitled 'Innovations in Rural Bus Services.'

2. After M. Higginson published Tables 7-9, reproduced in this chapter, A.M. Newman, Executive Director of the SBG, replied in a letter published in Motor Transport, 17 November 1978, pointing to the fact that Higginson's figures only related to a one year period and that a longer term view of the figures may produce different results. He did not question the validity of the statistics used. As it turned out Higginson further replied, in Motor Transport, 8 December 1978, showing that a longer term view of figures did not show the SBG to be performing any better.


6. Ibid.


9. Personal communication with Fife Region official.


Planning Exchange.

13. Ibid.
15. White, P., 1976 'Planning for Public Transport'.
16. View expressed in personal confidential communication by a regional council official.
19. Evidence given to the Select Committee on Nationalised Industries in February 1978 and published in their Sixth Report. See note 5 above.
20. White, P., see note 15.
21. Same as for note 19 above. The same question was asked of the SBG representative at a recent Public Sitting of the Traffic Commissioners (25 February 1979), and the same answer was given.
22. Select Committee on Nationalised Industries 1978 8th Report, 'Innovations in Rural Bus Services'.
23. Ibid.
24. Same as note 5 above.
25. For a full discussion of this relationship see TRRL SR 413 1977, Section 3: 'Relationships between Patronage and Main Determinants of Travel'.
26. Ibid.
CHAPTER FOUR

THE TRAFFIC COMMISSIONERS.
Responsibility for rural transport is not only divided between the public transport operators, local authorities and central government, but also lies with the Traffic Commissioners who are responsible for route licensing and for assessing alterations to licences which may take the form of changes in frequency, timetabling or fares.

Having so far in this discussion considered both the relationships between central and local government, and between the SBG and local authorities, and the possible development of events in these fields, it is now considered necessary to assess whether or not the role currently adopted by the Traffic Commissioners is beneficial towards improving the ability of rural residents, deprived of private transport, to gain access to required facilities by means of public transport, and to assess the functional relationships, in terms of responsibilities, between the Commissioners and local authorities.

The Traffic Commissioners are independent tribunals appointed by the Secretary of State for Transport. There are eleven Traffic Areas in Britain, of which Scotland is one, and each of these is controlled by a full time appointed Chairman. In Scotland the Chairman is supported by a number of part time Commissioners who are nominated by local authorities in the same way as other Council members are nominated to service committees. In the words of John Horam, the qualifications for being nominated as a Commissioner are, "sagacity, brevity and a knowledge of economics and the law" (1). The requirements for the job are somewhat vague.

The Commissioners were brought into existence under the Road Traffic Act of 1930, and their role was consolidated under an Act of the same name, passed in 1960. They were initiated for the purpose of controlling the issue of route and vehicle licences to bus operators. A licence for a specified route was only awarded after the Commissioners were satisfied/
satisfied that the vehicles to be used on the service, met the required safety standards. Details of fares levels and service frequencies also had to be submitted for approval and subsequently adhered to. And both the drivers and conductors of vehicles had to obtain licences.

The Commissioners objectives were to reduce wasteful competition and to provide for unremunerative services through securing for specified operators, by means of the licensing system, a monopoly on profitable routes, allowing them to run unprofitable services by means of cross-subsidisation. The raison d'être behind this extensively regulatory system was to bring under control the 'free for all' which had emerged in the road passenger industry in the 1920's. A situation had developed whereby rival companies contested services on the same routes, frequencies were not adhered to, fares varied considerably, and the standard of vehicles (and often of drivers) was frequently considered inadequate.

In today's vastly different rural transport environment the Traffic Commissioners role is being called into question. Moseley et.al. recently expressed some concern at the "overlap of the transport management roles played by the Traffic Commissioners and the county (and regional) councils," (2) and portrayed them as falling at the centre of a "web of relationships", (Figure 2).

Figure 2

<table>
<thead>
<tr>
<th>Bus operators</th>
<th>Local authorities as</th>
</tr>
</thead>
<tbody>
<tr>
<td>(public and private)</td>
<td>supporters and objectors</td>
</tr>
<tr>
<td>as proposers and</td>
<td>to new services and</td>
</tr>
<tr>
<td>objectors to new</td>
<td>fares applications</td>
</tr>
<tr>
<td>services and fares</td>
<td></td>
</tr>
</tbody>
</table>

British Rail as an objector to proposed changes

Central government as overlord of the Commissioner.

Self help bodies who may need the Commissioners approval for minibus operations etc.

The Government's Consultative Document on Transport Policy (3) also/
also raised the issue concerning "whether responsibility for road service licensing for buses should be transferred from the Traffic Commissioners to the local authorities who are primarily responsible for assessing public transport needs and ensuring its provision." And the response to this statement generated a mixed collection of views.

In England it would appear that a number of County Councils are very much in favour of the Commissioners role being modified to a great extent, if not fully transferred to the local authorities. At the Second Reading of the 1978 Transport Bill, Mr. Norman Fowler, the Conservative spokesman on Transport, referred to the views of the Association of County Councils on this matter, quoting from specific counties' submissions:

"North Yorkshire .... says that until the Traffic Commissioners system is revised, initiative in the provision of suitable services will be stifled," and, Cambridgeshire County Council "believe that if the Traffic Commissioners were abolished we could bring a transport system to the county for less expenditure .... and to the greater advantage of those who are already isolated," (4).

Such views are born out of a belief that a highly subsidised, nationalised bus undertaking such as NBC or the SBG, with a monopoly over transport provision in most areas, this monopoly being protected by the Traffic Commissioners, is not the best means of providing public transport in rural areas. It has been suggested "that the market can provide transport that people want more efficiently than central planning and coordination and transport monopolies", (5), and that if route licensing procedures were relaxed, innovation would more than cater for transport needs: "Delivery vehicles in country areas, many of which already operate fixed schedules, would take passengers. There would be many more Post Bus services, because the Post Office would no longer be restricted to providing services only where they do/
do not compete with conventional bus services .... (and) Market town traders may be prepared to deliver goods to villages if they can also carry a few fare-paying passengers," (6). This belief is also shared by John Hibbs, a life long critic of the highly controlled route licensing system. Hibbs has frequently expressed the desire to see more small independent bus operators given greater freedom to show what they can do - "the small businessman is better able to offer a viable service than the large operating unit, whether state owned or in private hands .... this arises from two features of bus operation : the low costs of the small unit, and the ability of the small businessman to attend to detail," (7).

However, the main problems with these type of arrangements is that there would be no guarantee that needs would be met, and local authorities would have greater problems in trying to establish that needs could be met. Furthermore, by not requiring operators to obtain a route licence, no guarantee on quality of service could be made. Neither are some commentators convinced that such a system would in fact benefit small independent operators, Neely for instance suggesting that "the private operator may have a very rough time indeed if there were no ombudsman like a Traffic Commissioner, to defend him", (8). And the Confederation of Road Passenger Transport, an organisation representing all sectors of the road passenger industry have indicated that they "respect the supervision of the Traffic Commissioners", and warned against "ill considered" changes in the licensing system, (9).

To conclude on this matter, Moseley et al suggested that rather than abolish the Commissioners, or, more explicitly, their duties, control over route licencing and fares applications should be transferred to the local authorities. Whilst making this suggestion they did however concede that more research was required into the role played by the Commissioners/
Commissioners and their overall interaction with local authorities in respect of rural transport provision, (10).

Investigations into the question of local authorities' attitudes towards the role of the Commissioners in Scotland, indicated that most regional councils were well satisfied with the present arrangements, (11). One official said that he has "found them to be a useful means of dealing with contentious issues, where agreement could not be reached with the operator himself. Obviously some arbitration is essential in disagreements of this nature, and in my view the Commissioners provide this valuable service efficiently, (12). Only one Region contacted, i.e. Tayside, was less explicit, claiming that "the future role of the Commissioners is so involved with the proposed Scottish Assembly that we are reserving our case until COSLA deals with this in detail", (13).

In addition to their valuable role as neutral arbiters in conflict situations, the Commissioners may also be seen as a highly necessary body to defend the interests of the consumer. As Robert Brooke, an NBC Chief Executive, claimed recently, "the Commissioners are "the only defence of passengers against county (and regional) councils who are looking after ratepayers' interests", (14). In other words, if the Commissioners' powers were handed over to a local authority which was for instance opposed to subsidising a particular bus route, and chose to save money by reducing frequencies on that route or by increasing fares, then those who were dependent upon it would have no body to appeal to against the council's decision. This is particularly apposite to the situation in Scotland where there is no bus service consumer watchdog, (15).

Central government recognised the dangers inherent in abolishing the Commissioners and rejected claims for this to occur, deciding in fact to give them an extended role under the/
the auspices of the 1978 Transport Act. It is now required that the Commissioners "in exercising their discretion to grant, refuse or vary a road service licence, in respect of any routes, and their discretion to attach conditions to any such licences ... shall have regard to the interests of the public, and in particular to,
(a) any transport policies or plans which have been made by the local authorities concerned ...
(b) the transport requirements of the area as a whole ... and of particular communities in the area,
(c) the need to provide and maintain efficient services to meet those requirements,
(d) the suitability of the routes on which a service may be provided under the licence," (16)
These duties are required of the Traffic Commissioners throughout Britain.

However, having been given this extended role, it must be said that it is doubtful whether, under existing circumstances, the Commissioners are qualified to effectively implement these duties. This is not to criticise the capabilities of the Commissioners themselves, but rather to question the resources available to them for these purposes. Their total lack of research staff poses obvious problems with respect to their being capable of assessing proposed changes to route licences with regard to points (a) to (d) above. For it is doubtful if the Commissioners themselves are qualified to make such assessments given the requirements needed by them for holding such a post.

Despite these new duties one anomalous aspect of the Commissioners role still remains. This is that the situation still exists whereby an operator or local authority wishing to abandon a service can do so at will. They can surrender their licence at any time and no application to the Commissioners is required. Hence if an operator wishes to/
to withdraw from operating a particular route and the
local authority does not dispute the decision but a parti­
cular community does, then that community has no formal
body to object to. The initiative would then lie with
the community to try and find an alternative operator. It
is felt therefore that given the possibility of such a
circumstance arising, and given the duties imposed upon
the Commissioners by the 1978 Transport Act, the function
of assessing service withdrawals should also be added to
the Commissioners responsibilities.

Whilst the capability of the Commissioners to handle
the increased duties placed upon them has been questioned
here, an argument has also been put forward supporting this
increased role for these persons. It is therefore necessary
to clarify how these arguments can be self-supporting.

Earlier in this discussion criticism was levied at the
lack of constructive monitoring of local authority rural
transport policies by the SDD, and it was implied that this
might be improved by a greater commitment in terms of staff
resources for this purpose. It would seem therefore that
the potential exists for this research staff to be responsible
to both the Traffic Commissioners and to the SDD. This
research unit could be responsible for providing the necessary
analysis of local authority public transport plans, thereby
allowing:
(a) the Commissioners to assess the impact of modifications
or withdrawals of route licences, and,
(b) the SDD to monitor the progress being made by local
authorities towards defining and satisfying rural transport
needs on a region-wide basis, and to assess the effectiveness
of local policies.

The suggestions made above are not intended to give the
impression/
impression that the Traffic Commissioners have been wholly ineffective in recent years. This has not been the case. They have been instrumental in pointing to deficiencies in the rural transport sector which the Scottish Office has failed to act upon. For instance in 1978 they suggested that local authorities may not be giving enough support to bus services, pointing to the fact that "the level of grants in Scotland is lower than in the rest of Great Britain," (17). However, their powerlessness in this respect was highlighted by their further comment, namely that "it would not be appropriate for them (i.e. the Traffic Commissioners) to approach Regional authorities asking them to provide bigger grants", (18). It is difficult to understand why it would not be appropriate for them to do this, given their wide ranging responsibilities. The fact is however that whilst the Commissioners could ask local authorities to provide more finance for rural bus support, they have no power to ensure that their request be implemented.

The Commissioners lack of powers was further emphasised at the 1978 Public Hearing at which the SBG applied for a 15½% fares increase. Whilst recognising that "inevitably hardship must result from fares increases," the Commissioners could only conclude that they "do not see how this can be avoided", (19). The result was that the fares application was approved, despite the Commissioners' additional criticism of the performance of the SBG as regards level, quality and reliability of their services, and their general attitude towards the public, (20).

Undoubtedly the Traffic Commissioners have a valuable role to play in the rural transport debate, if given the opportunity to fulfil it effectively. In essence, their main duty will be to ensure that bus user's needs are protected, although this may only be achieved if they are given the qualified staff necessary to supply them with background analyses/
analyses of local authority plans and policies in relation to SBG practices. Until or unless this happens they will continue to act very much as 'toothless tigers', capable of achieving a great deal, but never actually doing so.
Notes and References.

6. Ibid.
10. See note 2 above.
11. Personal survey by letter of official attitudes towards the Traffic Commissioners.
12. View expressed by letter by a regional council official. Anonymity must be maintained as all comments were made in confidence.
15. The consumer watchdog, Transport Users Consultative Committee, only handle complaints about railway and shipping operations. In 1978 proposals for consumer representation in the bus industry were outlined for England and Wales, but not for Scotland! To date then, the Traffic Commissioners remain the bus user's only independent body with whom complaints may be registered.
17. Comment made in circular entitled, 'Decision of the Traffic Commissioners on applications by Companies of the Scottish Bus Group for Fares Increases Heard at Public Sittings in Edinburgh on 22 and 23 February and 28 March 1978', prepared by the Commissioners.

18. Ibid.

19. Ibid.

20. Ibid.
CHAPTER FIVE

THE ROLE OF THE LOCAL AUTHORITY: A CASE STUDY OF RURAL TRANSPORT PLANNING PROBLEMS AND POLICIES IN GRAMPIAN REGION.
Having so far examined in broad terms the relationships between central and local government, the performance of the SEB, and the duties of the Traffic Commissioners, and attempted to outline a more explicit role for each of these, it is now time to turn towards attempting to define a more explicit role for top tier local authorities in Scotland. It was decided that this could best be achieved by examination of the current role adopted by one particular Region, through describing the nature of the rural transport problem as it is perceived and has developed; through analysing the policies of the Regional Council in dealing with the problem; and hence to suggest how the problem may be dealt with more effectively. It is also hoped that by examining the problem as it stands, and the policies developed by one particular Region, that attention might be drawn to considering whether or not local authorities rural transport policies as a whole might not be subjected to a more rigorous analysis by central government in order to determine whether or not they are adequately exercising their rural transport planning duties.

The Region chosen for this case study is Grampian, located in the North-East of Scotland with Aberdeen as its administrative centre, and composed of the Districts of Kincardine and Deeside, Gordon, Banff and Buchan, Moray and Aberdeen City.

Declining provision of rural public transport.

Savage (1963) was the first writer to identify formally the rural transport problem in the North-East of Scotland. He claimed that if "services which failed to pass the test of commercial profitability were abandoned, most of the Highlands and Islands together with large areas of north-east Scotland, the Borders and the south-west, would be without public transport at all", (1). Savage was referring solely to bus services, but the Beeching Report of the same year, (already mentioned in Chapter One), also proposed, and eventually/
eventually led to, the drastic pruning of rail services in the area. Maps 2 - 4 show the changing pattern of rural rail passenger services in what is now the Grampian Region, since WW2. Map 2 portrays the passenger network at the time of nationalisation, Map 3 the situation at the time of the Beeching Report, and Map 4 shows the current network. It should be noted that network contraction was experienced prior to the Beeching era, indicating the early problems faced by the industry in respect of providing rural services.

Despite the application of cross-subsidisation and the utilisation of government revenue support, bus services have also experienced a decline in areal coverage, (Maps 5 and 6). Plotting the changing network of bus service provision in the rural parts of Grampian is far more complicated than for rail services, due to the existence of more than one company in the area since WW2 and the lack of historical data on routes operated and levels of service provided by these companies over time. The two maps offered here then should be used simply to highlight the pattern of decline experienced, and should not be considered as being 100% accurate in that one cannot be sure that all routes operated, have been shown. Map 5 has been compiled from data provided in the Aberdeenshire County Council District of Deer Development Plan Survey Report of 1953 and shows the combined network of services operated by W. Alexander and Sons Ltd., Burnetts Motors Ltd., and Messrs. Simpson Ltd., Map 6 shows the network operated by W. Alexander and Sons (Northern) Ltd., the other companies having been taken over by this SBG subsidiary in the 1960's. The Map is adopted from the current Alexanders/Grampian bus timetable (i.e. Winter, 1978-79).

Of particular interest is the reduction in cross country routes which has occurred between 1952 and 1977. However, this/
BUS NETWORK 1977
BUCHAN AREA

FRASERBURGH

PETERHEAD

0 4mls

Map 6
this absolute network decline has also been matched by service frequency decline on many routes. Comparison of the 1952 bus timetable for the Buchan area with the one for 1977 shows for instance that in the former year, 526 journeys were made by buses per week between Fraserburgh and the village of Rosehearty, whilst in 1977, only 186 were made.

Declining accessibility

Although indicators of the declining availability of public transport services in themselves provides no hard and fast evidence that the ability of many groups to gain access to various facilities has been impaired, the fact that, allied to this trend, there has been a similar decline in the availability of these same facilities, suggests that this may be the case. The Gordon District Local Plan Survey Report (2) identified that the area had "the highest number of shop closures between 1961 and 1971 in rural Scotland"; that, "health facilities continue to centralise ... (and it is) ... increasingly difficult ... for rural dwellers to reach facilities unless private transport is available"; that there is an "increasing centralisation of secondary schools", and predicts a continuing and "increasing imbalance between population and jobs available in the District".

The possible existence of accessibility problems in the face of such trends is increased by the level of car ownership in the Region. According to the 1977-83 TPP there were only 0.25 cars per head of population in 1975, a figure which suggests that a large proportion of the total population are still dependent upon public transport. The actual percentages of households without cars does however vary quite significantly throughout Grampian. Examination of 1971 Census material showed that these figures vary from 11.3% to 55.8% between parishes in the Region/
Region, (see Appendix 3). The average figure obtained was 31.4%, and this compares relatively favourably with those for rural Scotland as a whole, (as defined by the Scottish Office), where the average percentage was 44.9, (3).

A crude attempt to analyse this variation in parish car ownership levels was made by mapping existing bus routes, settlements with a population of over 1,000, and the percentage of households with no car in each parish, for a randomly selected part of the Region (see Map 7). No particular trend could be discerned although it is noticeable that those two parishes with the lowest levels of car ownership also contain the only two settlements with populations greater than 1,000. It may therefore be suggested that parishes with lower levels of car ownership tend to contain larger settlements and hence the need for people to travel is reduced by virtue of those settlements being more likely to contain many of the facilities to which people require access. In the more truly rural parishes where facilities are fewer in number, levels of car ownership tend to be necessarily higher, not because more people can afford cars, but because cars are more of a necessity. Therefore, in parishes where car ownership is high because access to facilities is otherwise poor, one might expect to find small, but significant groups of people who remain dependent upon some form of public transport. Hence, although in such areas the absolute number of car-less households is less than elsewhere, the transport needs of those households may be greater. Some validity may be attached to this belief if one considers that of the two community bus schemes established in Grampian in the past two years or so, both are found in parishes with exceptionally high car ownership levels. The Keithhall community bus serves the parishes of Keithhall and/
and Kinkell in Gordon District, an area in which only 13.6% of all households do not possess a car. The bus is operated mainly to take OAP's and housewives to the nearest major settlement, Inverurie, for shopping and health facilities, (4). The other community bus service operates in the Edinvillie area of Moray District where the percentage of households without cars totals 19.1% - again a low figure relative to the average for the Region as a whole. And yet in both of these examples, a need for public transport has been discovered - and met. It is also perhaps interesting to note that neither of these two areas has been served by conventional bus services in recent years.

The important feature of this part of the discussion is that high car ownership rates alone should not be allowed to mask the possibility that an important need for public transport may exist in a rural area and that many parishes in Grampian may thus contain a hidden need for public transport, falling as many do, into the same category as Keithhall and Edinvillie, but being as yet, without any form of non-privately provided transport.

More explicit accessibility problems have been identified over the past year or so as is shown by the following examples taken from press reports, official documents and personal communications:

(i) 'The Press and Journal' (The Aberdeen published daily newspaper serving the North of Scotland), 13th April 1978: - "The lack of public transport in the Moray and Nairn area was one of the most pressing matters brought to the attention of M.P. Mrs. Winnie Ewing during a recent tour of her constituency - and she has pledged to keep raising the matter in Parliament until something is done to improve travel facilities."

(ii) 'The Press and Journal', 20th May 1978: "Villagers angered/
angered by plans to scrap bus link: New Pitsligo residents are angry because their direct bus service with Aberdeen is being withdrawn ... The Community Council hit out at the decision last night and said that residents had not been informed by the company of the change."

(iii) Gordon District Local Plan Survey Report 1978: "Comments received from ... Community Councils and others indicate that the needs of the rural areas are not met by existing bus services.

(iv) Gordon District Local Plan Survey Report 1978: "... the Inverurie - Oldmeldrum service might be adjusted to match hospital visiting hours, which does not happen at present."

(v) Personal communication from Methlick Community Council, 19th June 1978: "During the day, the (bus) service is very poor ... One awkward aspect was when hospital visiting was involved. In the case instanced, an elderly lady had to catch the bus to Aberdeen about 10 a.m. in order to get to hospital to visit her sick husband at 3 p.m."

From many similar examples it is safe to conclude that a significant degree of dissatisfaction exists with respect to the level of public transport services in Grampian.

Recent history of local authority response to rural transport problems.

With the exception of Kincardineshire, all the county councils which now comprise Grampian Region, provided revenue support under the 1968 Transport Act for apparently unremunerative services. On taking office in 1975 the Regional Council set up a Planning Unit within the Department of Public Transportation, to carry out the duties imposed upon the authority by the 1973 Local Government (Scotland) Act. The Unit therefore had to deal with both rural and urban public transport issues. It is to the activities of this Unit in the period from 1975 to the present that attention is now turned. The analysis is based on evidence taken from/
from Council Minutes, annual TPP's, the Regional Report, two papers (one internal) prepared by officials in the Unit, and from numerous discussions with the Assistant Planning Officer.


The prime requirement of the 1973 Local Government (Scotland) Act, so far as it relates to rural public transport, is that local authorities must develop policies which will result in the provision of a coordinated and efficient public transport system "to meet the needs of their area". One of the means for achieving this objective, which the Act made allowance for, was that "a local authority may make grants towards any costs incurred by persons carrying on public passenger transport services ... in the area of the authority", and that they could "make a contribution out of rates towards the expenditure which they estimate they will incur in that year in discharging functions relating to public passenger transport services".

It is important here to make this crucial distinction between 'means' and 'ends'. The end result of rural transport planning by a local authority should be the meeting of the transport needs of rural people. The means for doing so may incorporate the awarding of subsides to bus operators. This point was emphasised in the 1977 White Paper which said that "subsidy should be paid only where there is a clear requirement for it to meet social needs in transport that would not otherwise be met," (5). And the National Consumer Council reiterated this point one year later: "We have always argued that the development of transport policy must start from a clear assessment of people's need for transport" ... and ... "once needs have been assessed, any subsidy can be used to achieve specified objectives." (6)

Having stressed the point that the main objective of planning for rural transport should be the development of a methodology/
methodology for defining 'needs', followed by the taking of action towards satisfying these 'needs', it is now necessary to analyse in some detail, how Grampian Regional Council have interpreted their duties in this field.

In the year after the reorganisation of local government the Council decided in the first instance "to continue to support bus services currently subsidised under Section 34(1) of the 1968 Transport Act,"(7). This policy was adopted in order to retain the existing bus network whilst the Council considered what further action could be taken.

The first priority identified by the Region then was to examine the existing bus network "to assess exactly where the losses were being made,"(8). Research effort was concentrated on discovering where subsidy payments were highest, this information not having previously been analysed in any detail by the local authorities.

Preliminary investigations showed that "the largest losses were being accumulated on routes working at just under break-even (operating) costs, but over large mileages," (9). This conclusion was reached by using figures based on the average operational cost per mile over the whole bus network. For each route the revenue per mile was deducted from the average cost per mile and then multiplied by the total mileage involved. This approach was justified in the belief that "there are not major cost differences on these routes,"(10). However, as was suggested in Chapter Three, it is doubtful if this assumption can be upheld.

Routes were then ranked according to their expected revenue as a percentage of operating costs covered, a procedure which brought to light a general trend whereby these routes covering the smallest percentage of their costs were also the routes claiming the smallest subsidies. This is perhaps not surprising as the use of average costing techniques/
techniques would seem to ensure that this would be the likely outcome! Although no actual figures were made available one may suggest how this situation may be possible. Table 12 shows operational details of three hypothetical bus services. If one assumes that operating costs per mile are equal between the three routes, say

<table>
<thead>
<tr>
<th>Route</th>
<th>Mileage</th>
<th>Operating Costs</th>
<th>Revenue</th>
<th>Percentage Costs Covered</th>
<th>Subsidy required to break even</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>60</td>
<td>600</td>
<td>500</td>
<td>83%</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>30</td>
<td>300</td>
<td>220</td>
<td>73%</td>
<td>80</td>
</tr>
<tr>
<td>3</td>
<td>10</td>
<td>100</td>
<td>40</td>
<td>40%</td>
<td>60</td>
</tr>
</tbody>
</table>

10 units per mile, (the actual unit is irrelevant, it is the principle of the exercise which is important), then one must also assume that revenue is greater on the longer routes. Hence it will be seen that although Route 1 above covers a higher proportion of its operating costs, it also requires a greater subsidy to break even than the other two routes shown.

However, having crudely identified where the largest subsidies were being paid, the Region did recognise that their method provided an inadequate data base from which to determine where "value for money" could be achieved. Consultation with Alexanders (Northern) Ltd., the SBG operator, led to the latter providing more detailed statistics relating to operating performance. Data was provided in the form of:

(a) Revenue per mile for each route.
(b) Percentage of operating costs covered.
(c) Passengers per mile.
(d) Average number of passengers per single journey.
(e) Subsidy per passenger journey.

The figures relating to subsidy per passenger journey were/
were considered of especial importance: "Where services are operating drastically under capacity this figure will be very high and can ... give an indication of the demand for public transport." (11). It is necessary here to comment on this conception of 'demand' and its relation with 'need'. 'Demand' in the context it is taken in above, is actually 'usage' and need not equate with demand at all. The interpretation of demand as made by Grampian makes no allowance for latent demand which may not have shown itself for a number of reasons. For instance, a service may be wrongly or badly routed, fares may be too high, or the timing and frequency unsuitable for satisfying any needs. Such items were not considered.

The Region continued to develop its methodology based on the data made available by the operator: "Although there was now detailed information on all routes, some problems still arose owing to the complexity of routes and the existing system of building different routes into composite timetables through certain towns,"(12). The timetable of routes serving Ellon - Aberdeen for instance, was composed of eight different services. Care had to be taken to ensure that "no significant settlement" presently with a bus service would, after this analysis, be left without one. It was thought that "this may occur if routes, which appear at first sight to be the least economic, are withdrawn in isolation from each other. For example, a village may have three uneconomic services passing through it. In isolation each may warrant withdrawal, but by channelling all traffic on to one route this should increase its viability,"(13).

This last statement outlines the direction in which the Region was moving. By seeking to increase the viability of the bus network, they were neglecting their duty to establish whether or not rural travel needs were simultaneously being met. However, progress continued. Amendments to, and withdrawals/
withdrawals of services "failing in almost all aspects of operation," (14) were implemented. These were routes with the highest total subsides, the highest subsides per passenger, the lowest revenue per mile, and the lowest number of passengers per mile. Changes were made with little attention being given towards determining how those passengers who did use 'inefficient' services were to satisfy their transport needs after service withdrawals.

Despite the many, often admitted, inadequacies of this procedure, the Council continued with it. The main policy aim implicit in their methodology would appear to have been to stabilise, reduce or eliminate the requirement for subsidy payments to be made to the operator. This approach apparently took preference over the requirement to define 'needs'. It was simply assumed that 'needs' corresponded with 'demand'. Not until 1977 did the Council initiate any form of transport survey and even then this took the form of a small area study. And by the end of 1978 it remained uncompleted.

Further indicators of Grampian's policies relating to rural transport may be interpreted through tracing the history of planned expenditure on rural bus services. Table 13 is abstracted from the Council's TPP of September 1975 and shows the anticipated revenue support allocations to bus operators in the Region as a percentage of total revenue expenditure for each year up to 1981. As can be seen it was intended that revenue support should comprise 8-9% of the total transport budget in each of these years.

The Regional Report of 1976 offered an equally explicit declaration of intent, stating that "in investigating the balance of expenditure between transportation modes, future TPP's will make particular reference to rural public transport services," (15).

However/
However, the reality of the situation has been somewhat different. Table 14 (a) and (b) is abstracted from the Draft Fourth TPP, (1979-84), and shows a much reduced commitment to revenue expenditure on rural services. By the early 1980's the Council anticipate spending less than 3% of total revenue account expenditure on public transport, with an additional 1% allocated for 'fares policy'.* This would appear to give credence to a view expressed as early as 1975 by Hall:- "the overall picture is still of services either declining or poised on the edge of withdrawl. And the root cause has been the complete failure of TPP responsibilities to lead to any radical reallocation of transport resources within counties (and regions),"(16)

Despite the evidence pointing to the fact that the Region was striving for a more economically efficient level of bus services and had concentrated most of their available manpower resources in the Planning Unit towards achieving this goal, policy statements relating to 'needs' were made, which were not however based on any analysis of what these needs might be. These policies were:-
(a) to give people in the landward areas access to a centre of population for employment, education and social needs, and
(b) to give people from other areas in the Region access to and from Aberdeen,(17).

Laudable though these objectives might have been, it is difficult to appreciate how they could be achieved when the Region has taken next to no steps to determine who needs what, and where?!

That/

* The issue of fares policy will be returned to later.
### Table 13
Grampian Regional Council: Planned Revenue Expenditure

<table>
<thead>
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<tbody>
<tr>
<td>(£ thousand)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue support to SBG and other bus operators</td>
<td>330</td>
<td>520</td>
<td>720</td>
<td>720</td>
<td>720</td>
<td>720</td>
</tr>
<tr>
<td>Total revenue expenditure (TPP budget)</td>
<td>5205</td>
<td>6885</td>
<td>7419</td>
<td>7747</td>
<td>8097</td>
<td>8465</td>
</tr>
<tr>
<td>Bus support as percentage of total revenue expenditure</td>
<td>6.3%</td>
<td>7.5%</td>
<td>9.7%</td>
<td>9.3%</td>
<td>8.9%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

Source: Grampian Regional Council, Transport Policies and Programmes, September 1975.

### Table 14
Grampian Regional Council: Planned Revenue Expenditure.

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<thead>
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<tbody>
<tr>
<td>(£ thousand)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue support to SBG and other bus operators*</td>
<td>310*</td>
<td>334*</td>
<td>334*</td>
<td>334*</td>
<td>334*</td>
<td>334*</td>
</tr>
<tr>
<td>Total revenue expenditure (TPP budget)</td>
<td>9287</td>
<td>11115</td>
<td>10654</td>
<td>11225</td>
<td>11929</td>
<td>12577</td>
</tr>
<tr>
<td>Bus support as percentage of total revenue expenditure</td>
<td>3.3%</td>
<td>3.0%</td>
<td>3.1%</td>
<td>2.9%</td>
<td>2.8%</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

* Figures exclude 'Fares Policy'

(b)

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<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td>(£ thousand)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue support to SBG and other operators</td>
<td>400'</td>
<td>400'</td>
<td>400'</td>
<td>400'</td>
<td>400'</td>
<td>400'</td>
</tr>
<tr>
<td>Total revenue expenditure</td>
<td>9287</td>
<td>11115</td>
<td>10654</td>
<td>11225</td>
<td>11929</td>
<td>12577</td>
</tr>
<tr>
<td>Support to bus operators as percentage of total revenue expenditure</td>
<td>4.3%</td>
<td>3.9%</td>
<td>4.1%</td>
<td>3.9%</td>
<td>3.7%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

' Figures include 'Fares Policy'

Source: Grampian Regional Council, Transport Policies and Programmes, Draft Copy 1979
That the Regional Councils methods of planning for rural transport are as yet but crudely developed may also be gauged from a consideration of their corporate objectives relating to physical planning and rural transport planning. It has been stated that "one particular area has been designated in the Regional Report as a growth point, and thus (bus) services in that area will be largely unchanged, even though one route in question is at present very uneconomic," (18). This statement however ignores the possibility that 'growth centres' may contain fewer needs for public transport than non key settlement areas, and so such a rationale for retaining bus services in their present form must be called into doubt. The point does serve to illustrate once again how the lack of 'needs' definition may be contributing towards sub-optimal decision making.

In adopting the role it has done, it would appear that the Region is effectively carrying out the duties of a bus operator, i.e. seeking economies on operating performance by developing a viable network based on apparent demand levels. This is not what was envisaged by those responsible for drawing up the 1973 Local Government Act. It is merely correcting the work which should have been done by the operator, and points to an important deficiency in the revenue support payments system. When an operator knows that his operating deficit will be made up to him by a local authority grant then there is little incentive for him to analyse his network in order to eliminate inefficiencies and to provide for new needs. As such it is possible that the Regional Council has been diverted from its true task of defining needs, in order to firstly improve the efficiency of the operator. However this should not be used as an excuse to detract attention from the fact that the two functions, (a) network analysis, and (b) needs definition/
definition, might be considered simultaneously through a pooling together of manpower resources and a free exchange of information, between the operator, (in this case I. Alexander & Sons), and the Regional Council.

The type of role adopted by the Council may also be due in some part to the fact that the Planning Unit within the Department of Public Transportation has grown out of the former Corporation of Aberdeen, Transport Department, and hence used to be, and still is, responsible to its Council as an operator of public transport services.

Whether or not these problems are but teething difficulties associated with the relatively recent requirement for the local authority to determine 'needs' and hence to adapt to a new role, remains to be seen.

Current Policies and Research Difficulties

Given the small amount of revenue support allocated to SBG it is necessary to at least attempt to identify exactly how this money is being spent and to assess whether or not rural areas are 'getting a fair deal'. However, in endeavouring to do so a number of difficulties were experienced.

Firstly, although, as was pointed out earlier, the levels of subsidy payable to each route in the Region have been quantified, these figures were not made available. The reason given for this was that it would be politically unacceptable for such statistics to be publicised as it may lead to, for instance, a District Councillor discovering that bus routes in his particular area are not being subsidised to the same level as those in another area, and that he may question this issue!

The Regional Council Minutes were only slightly more illuminating. From a Minute of 5 October 1978 it was discovered/
discovered that payments to the SBG operator in 1977 were broken down as follows:

- Culter - Dyce support £36,000
- Aberdeen Airport service support £17,700
- Rural bus support £278,300

The Culter-Dyce service is one which operates between these two suburbs lying within the City of Aberdeen District Council area but which are provided by Alexanders (Northern) Ltd. and not Grampian Region Transport who operate most other city services. The route runs through the centre of the Aberdeen urban area.

Since local government reorganisation this route has been at the centre of a long running controversy involving local residents, the Bus Group, Aberdeen District Council and Grampian Region. As it serves an area now falling within the City District, residents feel that City fares scales should be levied, these being substantially lower than those charged by the Bus Group operator (i.e. Alexanders). Virtually continuously since reorganisation the Region and Alexander's have been involved in discussion regarding the coordination of services along this route. The result has been that a new system is to be implemented as from March 1979 whereby the two operators will now share the routes between Culter and Dyce and fares will be adjusted. In the interim period fares on these services have been pegged at levels substantially lower than they might otherwise have been. Between 1976 and 1978 fares on all SBG services operated within Aberdeen District were stabilised at 1976 levels, the Region making up the difference to Alexanders. And in 1978, the Bus Group were given permission by the Traffic Commissioners to raise their fares in Grampian as a whole by 15%, but the Region intervened, promising subsidy payments to Alexanders if fares on City District services were raised by only 2 1/2%. In/
In 1979 this 'fares policy' will cost the Region £106,000 in revenue support (i.e. 25% of the total sum allocated for revenue support throughout the Region). It should also be noted that no contribution has ever been made to this total by Aberdeen District Council. The Regional Council for their part have made no attempt to justify this proportion of revenue expenditure being allocated for what are effectively commuter bus services.

The main point to be made here is that revenue support to non urban or non local authority bus services must not be taken as being support for rural services.

Nor is it clear that the remaining £344,000 revenue expenditure total included in the current Draft TPP will be used to provide or sustain rural services. At a recent Council meeting it was reported that "the Bus Group estimated that ... services in the Region would break even during 1979 ... and that Grampian was the only Region where the Group were not asking for revenue support," (19). This comment was based on evidence provided by SBG in their 'First 1979 Budget' (see Table 15) which was presented to the Regional Council in October 1978. Now, when one considers that "revenue support (is) equivalent to the overall deficit shown over the period of operation after other relevant income and expenditure has been taken into account,"(20) then it is difficult to understand how, in 1979, the Regional Council are claiming that "the majority of services operating in the Region requires revenue support,"(21). It is conceivable and probably quite likely, that taken on their own merits, many rural bus services fail to break even - That is when one weighs revenue from fares against operating costs. However, in the case of services in Grampian, these losses appear to be offset from earnings elsewhere in the company, and it is argued this can only be right, for without the existence of/
Table 15

Scottish Bus Group: First 1979 Budgets: Grampian Region


<table>
<thead>
<tr>
<th>Revenue</th>
<th>£,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Traffic</td>
<td></td>
</tr>
<tr>
<td>Stage</td>
<td>4,405</td>
</tr>
<tr>
<td>Express</td>
<td>542</td>
</tr>
<tr>
<td>Tours</td>
<td>72</td>
</tr>
<tr>
<td>Hires and Contracts</td>
<td>505</td>
</tr>
<tr>
<td>Total</td>
<td>5,524</td>
</tr>
<tr>
<td>(b) Sundry</td>
<td></td>
</tr>
<tr>
<td>Parcels, mails, advertising, etc.</td>
<td>271</td>
</tr>
<tr>
<td>Letting of sites &amp; premises</td>
<td>18</td>
</tr>
<tr>
<td>Total Sundry</td>
<td>289</td>
</tr>
<tr>
<td>Total Receipts</td>
<td>5,813</td>
</tr>
</tbody>
</table>

| Expenditure |       |
| Vehicle operating costs | 2,989 |
| Maintenance of vehicles | 1,423 |
| Other Traffic expenses | 522 |
| Maintenance of buildings | 138 |
| Vehicle duties | 26 |
| General | 622 |
| Total expenditure | 5,720 |
| Profit | 93 |
| Taxation | 68 |
| Total support requested | 0 |

Profit of £25,000
of the bus services in the first place, then the other revenue earning activities would not exist. It is surely not logical to consider earnings from parcels deliveries separately from earnings from fares when considering the profitability or otherwise of a service.

If it is accepted then that the Regional Council is aware that the SBG do not require revenue support in the coming year, then what is to happen to the £334,000 allocated for that very purpose? The only answer which could be discerned from the Region was that much of it would be kept aside as a 'pool' of financial resources which was to be used to help finance the introduction of the new combined Regional Council - Alexanders services within the City District and to offset any losses of revenue accruing from the new system.

It is perhaps unfortunate that, given the current healthy financial state of the conventional bus network, more money could not be allocated either towards a more thorough attempt to survey rural transport needs; to assess the impact of service withdrawals on existing communities; to help finance community bus schemes; to initiate a more aggressive marketing stance; or to experiment with reduced fares or a wider use of concessionary fares. It seems peculiar that given the reduction in available rural transport facilities over the past few years, and the accessibility problems identified in the area, that in 1979-80, the Regional Council will be allocating next to nothing to help public transport dependent persons in rural areas.
A more explicit role for Region and Bus Group

At present in England and Wales the NBC is engaged in a Market Analysis Project, (MAP), a scheme which emerged from their previous Viable Network Project, (VNP). The VNP was initiated in order to determine what proportion of the existing NBC network could be maintained without local authority support. Initial results from this indicated however that more could be achieved than the NBC first realised and so a more ambitious marketing stance was adopted and the project name changed to MAP.

MAP was started in the Midland Red Company and to date this is the only company - area in which studies have been completed and proposals implemented. The NBC hope however to extend the process throughout England and Wales by 1982.

MAP involves examining entire networks in and around market towns. Special attention is given to reducing peak vehicle requirements and Figure 3 overleaf shows one particular example of this concept being implemented. In this example a small number of passengers will no longer be served, but costs will have been reduced by almost one-third.

As Warwickshire County Council commented, MAP "will provide a robust network and leaves the way clear to County Councils, and certainly we in Warwickshire will take up this opportunity, to maintain in their present form or modified, the services which Midland Red could not include in their viable network," (22).

From the analysis presented of Grampian Regional Council's progress in rural transport planning, it would appear that they have engaged in a similar type of planning process as that of NBC with MAP, having attempted, (successfully, it would appear), to provide a viable network. This gives some substance to the point made earlier that the Regional Council are in fact, adopting the role of an operator. Where they differ from the process in England, where MAP is being implemented, is illustrated in the point made above by/
The diagram illustrates the reduction of three existing peak journeys into a town (solid lines) to two journeys (dotted lines), serving all but six of the existing peak passengers. Figures refer to number of passengers, those not boxed being left without a service after MAP proposals are implemented.

Source: Select Committee on Nationalised Industries
by Warwickshire County Council. Grampian are failing to stimulate or implement, on a large scale, schemes designed to fill the gaps which a more viable network leaves - a function which should in fact be their main responsibility. It is suggested here therefore, that the responsibility for a MAP styled approach to rural transport planning should lie primarily with the SDG operator, with nevertheless, continuous liaison occurring with, and scrutiny made by, the Regional Council. The Region for their part should be more actively involved in determining 'needs', and, where such needs as may be identified cannot be met by the existing network, in stimulating, or arranging for, the provision of some alternative means of transport to satisfy those needs.

Defining rural transport needs.

Having suggested that the Regional Council should be more concerned with defining and satisfying rural transport 'needs', one must now contemplate developing a methodology which might be employed for so doing.

Although criticism has been levied specifically at Grampian it is also apparent that "few authorities have yet attempted to specify the transport needs of the rural population or what levels of service provided in rural areas should be," (23). The same authors believe, logically enough, that "an improved approach to policy development for rural bus services lies in the clearer definition by authorities of the public transport needs of rural areas," and that "this may only be achieved by a greater understanding of the impact of service reductions and withdrawals, on rural communities,"(24). In addition to this it should not be forgotten that little attention has ever been directed at assessing the potential public transport needs of areas where bus services have never existed. It has often been assumed that people in such areas will have adjusted to the situation before now. However, this need not always be the case.
As was noted earlier, the Keithhall community bus was established in an area which has had no conventional public transport in the past twenty five years at least, thereby proving the need for transport in an area of this type.

So, how may rural public transport needs be determined in Grampian? As was implied in the assessment made of the role adopted by the Regional Council it would appear that they "seem to have resorted to equating needs with either the use made of existing public transport services (i.e. 'demands') or the expressed intentions of potential users of improved services (i.e. 'desires'), (25). It could be argued that neither of these approaches is entirely suitable, the former above, pertaining especially to Grampian, (although the statement was originally aimed at local authorities in general). Definition of needs may require "some element of judgement as to which journeys are more essential than others to the well-being of individuals and communities. By whomever it is made, the quality of this judgement will depend to a large extent upon how well-informed it is about the potential impact of failing to cater for particular journeys," (26). However, whilst recognising that this is so, it must also be realised that the situation is made more complex by the lack of data available to rural transport planners. "Bus, rail and ferry service information is readily to hand; on the other hand, information on village needs is virtually non-existent, yet without such data any appreciation of the rural network is seriously impaired,"(27). Pressure must therefore be brought to bear upon decision makers to fill this knowledge gap and hence to develop methodologies which will bring such information to the surface. The 'needs' defining methodology to be employed must therefore contain some mechanism to allow this to occur.
Below the Regional Council are two other tiers of government which, being closer to the local level, may be better placed to determine specified local needs - these being District Councils and Community Councils. It is possible therefore that these two levels of administration could accept some responsibility for investigating local needs and for channelling this information to the Regional Council which would coordinate the process and implement proposals. These will each be considered in turn.

The Role of District Councils.

It is seldom appreciated that District Councils have powers to "afford assistance to any ... person, by way of grant, loan, or both, for the purpose of securing the provision, improvement or continuance of any bus service, if in the opinion of the council ... that service is or will be for the benefit of persons residing in rural areas,"(27). As yet, in Grampian, as in most other areas of Scotland, these powers have never been used. The potential for doing so is of course limited by the Council's available financial resources - which are of course more limited than those available to the Region. However, these Councils do have the opportunity to put some pressure on the top tier authority, through their rights to make comments on the annual TPP document, and through their Local Plans, to improve rural transport services.

Despite this, concern must be expressed at the lack of interest shown by certain District Councils towards rural transport issues. Kincardine and Deeside District Council for instance, have only once passed official comment on the Region's TPP. On the other three occasions on which comments were sought, no reply was forthcoming.

The response from the other three District Councils in the/
the Region has been varied. In their comments included in the Draft Fourth TPP (1979-84), Banff and Buchan District Council expressed their pleasure at the emphasis the Regional Council was placing on public transport in their plans. Moray District Council on the other hand, advocated that "the Regional Council should pursue a more active policy in relation to the transport needs of rural communities,"(28). And Gordon District Council, the first of the Grampian lower tier authorities to produce a rural Local Plan (Survey Report), whilst not commenting on the role of the Region, expressed their concern over the problem of rural transport existing in the District:- "... accessibility by public transport to local centres from areas not on major routeways is difficult, and often where services exist they are not convenient for shopping trips,"(29). The Gordon Local Plan in fact invited widespread comment on possible improvements to bus services and it will be interesting to see how Gordon and other District Councils react to the problems identified through such comment, when they produce the finalised detailed proposals for their areas.

The Role of Community Councils

The National Consumer Council recently stressed that local community groups such as community councils had an important role to play in the rural transport planning process, and stressed the need for a more active involvement of such groups, especially in Scotland, (30). In England and Wales such a role has become obligatory, with County Councils now being required, by the 1978 Transport Act, to make Draft copies of their PTP's available to parish and community councils, to afford them "an opportunity of commenting on ... and of making representations with respect to its contents,"(31).

In order to make a crude assessment of the potential of community/
community councils in contributing to the 'needs definition' procedure sought after by this author, a random selection of such bodies was made in Grampian, and were asked if they were aware of any rural transport problems in their areas and if they had been involved in doing anything about them. The role of community councils as representative bodies in community affairs is worthy of detailed research in itself, and so the results of this investigation must remain considered as basic and introductory.

The range of degree of activity in rural transport issues varied considerably between these councils. The Donside Community Council for instance were found to have made contact with Grampian Regional Council in order to implement a change in bus timings serving the villages of Alford and Inverurie, as the existing timings were "unsuitable for anyone wishing to shop in Inverurie,"(32). Their wish could not however be accommodated because it was claimed that numbers were too few to justify any other service. On another occasion the Council were successful in initiating a service for the previously uncatered for hamlet of Lumsden. This was provided for by diverting slightly the existing Alexander's service between Strathdon and Aberdeen.

Many other councils however appeared less enthusiastic in this field. Although most of those contacted claimed to be aware of the problems of rural transport - 'lack of evening transport, lack of cross country routes, unsuitable timings' - all being frequently identified as problems - few showed much willingness or knowledge of how to improve the situation. Muthlick Community Council, expressed their problem as, "a poor service at times, but no better than the number of passengers can justify",(33). Others showed little real understanding of the problem from the point of view of potential users:- "The bus service in these parts is not quite non-existent but it is pretty hopeless and the cost of travel causes resentment. From the bus company's point/
point of view it is no doubt non-economic and needs to be subsidised by the Region. The trouble is, too many of us have cars,"(34).

This lack of activity on the part of a number of community councils is particularly worrying when one considers that the Regional Council's policy is to take action "in response to a particular request from local residents," (35). Admittedly this procedure has led to a number of improvements and changes to bus services. In addition to the Lumsden case outlined above, other changes implemented in response to requests from local groups, have included: -(i) an experimental Friday service between Fyvie and Woodhead.  
(ii) Service amendments providing a direct link between Newburgh and Ellen for Health Centre visits and shopping.  
(iii) A late night Saturday service introduced to Belhelvie by diverting the 22.50 Aberdeen to Naud bus from the main road.  
(iv) Off-peak shopping journey on Tuesdays between Peterhead and Kirktown, St. Fergus, (36).

However, the worrying aspect of adopting this procedure is that unless a community group is aware of the need for a service, and unless it can put forward a strong case for it to be given a trial run, then nothing will happen. One cannot help but feel therefore that the Regional Council should perhaps show greater initiative towards stimulating community councils into searching for potential transport needs, and it was then discovered that these needs could not be met by the Bus Group, then the onus should be on the Regional Council to suggest and assist the development of more unconventional forms of transport. At the moment the Region is adopting what one might call a reactionary standpoint in that it only responds to requests for changes and improvements to services, as opposed to the more desirable activist/
activist standpoint whereby it would be responsible for stimulating local surveys of need and for volunteering advice on unconventional modes of transport. The need for such a stance to be adopted is justified by the lack of understanding and knowledge of rural transport problems exhibited by many community councils. This last point was further emphasised by the Scottish Council for Social Services, whose 'Grampian Project' team drew attention to rural transport problems in the area, (37). They attempted to initiate a one day conference on the subject, inviting members of all community councils and other community groups in the Buchan area of Grampian, to attend. However, this enterprising move had to be cancelled due to the lack of interest shown. Many community councillors expressed that they would like to have attended, but the timing of the meeting, a Saturday afternoon, was 'inconvenient'.

Community bus schemes

As mentioned earlier there are currently two 'community bus' schemes in operation in the Region, at Edinvillie and at Keithhall. Both services are provided free and paid for out of funds raised by local community groups. Although the Regional Council has no direct involvement with either of these schemes it is felt that Regional officials should at least be engaged in monitoring their progress and in documenting their organisational structure so that other groups in the area would be able to draw on this information if/when contemplating schemes of their own. The Regional Council's role here would be to accumulate and disseminate relevant information.

Although the Regional Council are, as mentioned earlier, currently involved in a small scale survey of travel patterns in one particular area, this study being carried out in conjunction with community groups, it is still felt that the progress being made in this field is grossly inadequate. After all, The National Consumer Council are of the opinion that/
that "a continuous programme of local surveys is essential," (38) if public transport needs are to be satisfied. In Grampian it has taken two years to initiate the first such survey and now, a further two years on, it remains incom­pleted. This is perhaps no fault of the officials involved but may rather reflect the lack of serious commitment by the Regional Council in terms of manpower resources being made available to tackle rural transport issues.

To conclude one must ask how the energies of all those agencies whose roles were discussed above - the SBG, the Regional Council, the District Councils and Community Councils - may be motivated and harnessed to strive towards the goal of improving the accessibility levels of car-less rural residents. It has been suggested that a more positive and aggressive attitude towards tackling rural transport problems is required in the Region. The SBG operator, Alexanders (Northern) Ltd., should be encouraged to continue the exemplary work already carried out by Regional officials in maintaining a more viable network, and here much may be gleaned from the NBC's Market Analysis Project techniques. This function should be eased by the continued development of more accurate costing procedures which are, as pointed out earlier, being gradually introduced. At the same time attention has been drawn to the dependence of the operator on earnings from 'ancillary' functions to supplement income from stage carriage services, and hence it is suggested that encouragement should be given towards developing an aggressive marketing stance in such fields as contract hires, tours and parcels deliveries, in order that cross-subsidisation can be maintained between earnings from these sectors and the stage carriage sector.

The District Councils are currently engaged in preparing their Local Plans, and here exists an opportunity for the Regional Council to work in close liaison with them to the mutual benefit of all parties. The Gordon District Local/
Local Plan is beyond the survey stage and has considered rural transport problems in some detail, and the Banff-Buchan Local Plan is also to include a substantial assessment of rural transport difficulties, (39). Through the Local Plan process the Councils should be able to develop a Region-wide picture of accessibility problems - but only if there is some guidance from the Regional Council as to how 'problem-identification' should proceed. For without a coherent programme of action to guide all those with a need to be involved in the rural transport planning process, little information of actual practical value may accrue from the efforts expended.

It is thought that perhaps community councils and other local groups could be engaged to carry out surveys of 'need' which might be administered and overseen jointly by the Districts and the Regional Council, the latter retaining responsibility for devising an overall strategy for meeting those 'needs' through negotiation with the bus operator(s) and through stimulating more unconventional, perhaps community based schemes. But whether strategy evolves it must be stressed that a well-defined methodology must be developed. Since local government reorganisation the Regional Councils' approach to rural transport planning procedures has been what may best be described as 'ad hoc', generating a feeling of apprehension as to whether they will ever turn to the important task of determining the needs of their area.

A change of attitude on the part of elected members may be required to allow accessibility problems to be identified and dealt with, and the catalyst for this change may have to come from Council officials. It is evident that not only a shift in financial resources in favour of rural transport is required, but perhaps also a shift in manpower resources will be necessary to effectively allow the administration/
stration to determine 'needs' and adopt the more 'activist' standpoint which has been advocated. If this does not happen, it is feared that those resources which are available will be deployed towards continuing the present process of rationalising the existing bus network (without assessing the impact of this process), and concentrating attention on the Aberdeen area, as it is here that the greatest benefits can be seen to accrue to the greatest number of public transport users, possibly to the disadvantage of those in need of public transport elsewhere in the Region.

The Role of the Timetable and Marketing Procedures

Before leaving this examination of the rural transport problem in Grampian Region, one final aspect of the topic requires investigation, if only because its importance is often neglected, i.e. the role of the timetable and the general process of marketing of rural transport services. The Scottish Association for Public Transport have frequently voiced their discontent with the attempts of those involved in providing bus services to market their product, and the National Consumer Council have advised that, "There should be more advertising of all forms of local public transport, not just unconventional services. Local authorities should produce comprehensive timetables for their area listing all types of service. Some authorities have already done this. Others should take on this task as a matter of urgency."

In Grampian the evidence points to the fact that there is certainly room for improvement in this field. Data is very much lacking on the benefits of increased marketing, although one may, with a degree of confidence, suggest that poor marketing certainly does not help attract potential consumers and hence may result in a lower level of patronage on services than might otherwise have been the case. One of the few reports actually/
actually published on the subject has shown that extra revenue did accrue to certain bus services in West and South Yorkshire following an aggressive marketing campaign involving the distribution of leaflets advertising services. Extra revenue generated during the first fourteen weeks of the campaign was of the order of £3,950, whilst the cost of leaflets amounted to almost £1,000,\(^{(42)}\).

At present the Grampian area timetable is compiled jointly by the Regional Council and by Alexanders (Northern) Ltd. It contains detailed timetables of services operated by the Regional Council transport undertaking (in Aberdeen City), by Alexanders (throughout and outwith, the Region), and by British Rail. However, no details of fares levels are given.

Although containing a list of private bus operators offering stage carriage services in Grampian, and naming the starting point and destination of their routes, no details of service frequency are listed, and again no fares tables are shown. Neither is any mention made of the two community bus schemes known to operate, nor of the four post bus services in the Region.

The map included in the most recent edition of the timetable, i.e. Winter 1978, shows only those services operated by Alexanders, and is out of date. Services which have experienced route amendments since February 1977 are still shown as they were then. Such a situation seems ludicrous, there being no reason why the map cannot be updated and made to include all services, (i.e. independents, post bus, community bus, and SBG).

In addition to these timetable deficiencies, it is also true to say that little or no advertising of available bus services exists throughout Grampian Region. At present, unless one is able to telephone the Aberdeen headquarters of Alexanders/
Alexanders (Northern) Ltd., or one of their seven outlying depots, there is no way of discovering when one may expect a bus to come, where it might be going, or how much it would cost to get there. Each village should have at least one information point providing such details. This need not involve much extra expense as the information could be provided by means of a paper chart in a village shop window, and as suggested in the Yorkshire report above, the effort may lead to financial benefits for the operator.

Many ideas in the field of aggressive marketing procedures have been developed by the NBC in their MAP scheme. Service revisions in the Midland Red operating area have "been associated with additional marketing effort to make existing and potential passengers aware of the changes, and indeed, bus services in general,"(43). Midland Red prepared pocket sized timetables with local maps and adopted local marketing titles on publicity items and on buses - e.g. 'Avonbus' operates around Stratford.

It is felt then that this is another area in which improvements could be made. The Regional Council as overall coordinator of public transport should take over responsibility for timetable compilation (with details supplied by operators) and should work jointly with the SDG to improve marketing procedures. After all, according to A.D. Parr, it was partially a failure of British Rail to 'sell their product' to the people of Deeside, which resulted in the closure of the Aberdeen to Ballater branch line,(44). If the same fate is not to befall many rural bus services, then a more forthright approach to marketing is essential in Grampian Region.
Notes and References.
4. Details about this bus service were reported by Hunter, J. in an article in 'The Press and Journal' 21 January 1977, entitled 'How to help yourself with your own bus service'.
7. Smith, C., 1976, 'Rural Transport Planning: The Role of the Region'. Paper presented to a Planning Exchange conference on Rural Transport in which Mr. Smith, the Assistant Planning Officer of Grampian Regional Council's Department of Public Transportation, outlined in some detail the planning methodology employed by the Council.
8. Ibid.
9. Ibid.
10. Ibid.
11. Ibid.
12. Ibid.
13. Ibid.
14. Ibid.
19. Grampian Regional Council Meeting, 30th January 1979. Quotation used here appeared in 'The Press and Journal' 31 January 1979 and was attributed to Mr. John Westaby, Grampian Region Director of Public Transportation.
20/
21. Ibid.
23. Quoted from a detailed report in 'Buses' October 1977, p.411-413 of Peat, Marwick, Mitchell and Co., transport consultants report on 'Minimum levels of service for rural public transport', prepared for the NBC.
24. Ibid.
25. Ibid.
26. Ibid.
32. Personal communication, 30 October 1978.
33. Personal communication, 19 June 1978.
34. Personal communication with Aberchirder-Marnoch Community Council, 1 June 1978.
35. Taken from an internal paper prepared by the Assistant Planning Officer and the Director of Public Transportation, Grampian Regional Council, Department of Public Transportation Planning Unit, February 1978.
36. Ibid.
37. The Grampian Project was organised by the Scottish Council for Social Services and was designed to examine a variety of social problems in the Region.
38. 'Rural Rides' 1978.
39. According to the Banff and Buchan District Council Director/
Director of Planning, in a personal communication, 26 February 1979, the Council are to adopt a similar assessment of options in public transport to those used in the Skye/Lochalsh Study. This latter study was a comprehensive analysis of accessibility levels in the Skye and Lochalsh District of Highland Region, carried out by Farrington and Stanley in 1977 (see Bibliography), the implementation of its recommendations requiring a detailed knowledge of the accessibility requirements of all individuals in a given area.

40. For example, see the SAPT 'Transport Policies and Programmes, submission to the Grampian Region' document, published in 1975, which said: "The value of allocating some expenditure to good publicity and presentation should be recognised. Simple, clear and attractive information can easily lead to a greater awareness among residents and visitors of what facilities are available," p.3.

41. National Consumer Council 1978 'Rural Rides'.

42. TRRL Report 805 1978, 'Costs and Benefits of a Bus Service Information Leaflet'.


44. Farr, A.D., 1968 'The Royal Deeside Line' - a history of the famous Aberdeen-Ballater railway.
SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS
The purpose of this final brief section is to bring together into a logically ordered framework, the main findings of the preceding investigations, and to suggest a package of proposals which it is thought, might, if implemented, lead to an improvement in the level and quality of public transport services in rural areas in Scotland. This study has tended to take, as its focal points, the main agencies involved in the framework of rural transport provision, concentrating attention on the Regional Council as the central element in the rural transport planning process, and so these recommendations are applied mainly towards improvements in the roles the author would like to see adopted by these agencies. As such not all the detailed conclusions made throughout the study are reiterated, but rather only those issues which have emerged as being most salient.

Firstly it is felt, and this was emphasised by the case study of Grampian, that local authorities are not altogether clear as to exactly what stance they should be holding as regards their responsibilities towards planning for public transport provision in their areas, and that this has led to a disjointed approach to the problem in many instances. The SDD have not helped matters by failing to impress upon Regional Councils the importance of developing adequate methodologies for defining rural transport needs, and for failing to offer more explicit guidance on the effectiveness of current local authority policies, and the direction in which local authorities should be heading. This is partly due to the ineffectiveness of the TPP as a monitoring device, and partly due to the unwillingness of government (at both central and local level), to devote sufficient manpower resources towards tackling the issue. It is suggested therefore that these problems might be overcome by:-

(a) giving the Regional Councils clear, explicit guidance as/
as to what their duties should entail - and this may be achieved through the extension of the PTP system, with its emphasis on the requirement to define transport 'needs', to Scotland, and, (b) establishing a Transport Research Unit within the already existing Central Research Unit of the SDD, or possibly within a University, with the responsibility for assessing local authority PTP's and advising local authorities on methodologies for defining 'needs' and for implementing more effective policies.

Both of these recommendations would require a marginal deployment of staff from other duties in local authorities and in the SDD, but the benefits to the rural transport planning process would be immense. The Transport Research Unit could also be responsible to the Traffic Commissioners, to assist the Commissioners in the exercising of their extended duties under the terms of the Transport Act of 1978, thereby making a saving on the possible duplication of effort which may have resulted from this situation.

The second main group of proposals in this package of recommendations, concerns the Scottish Bus Group, which is responsible for the majority of rural transport services in this country. It is believed that the Group could adopt a far more aggressive marketing attitude towards their activities, particularly in terms of experimenting with pricing policies and advertising procedures, two sectors in which innovation has been very much lacking. Much may be learned from the NBC's MAP scheme.

Finally, it cannot be stressed enough that the prime duty of the Regional Councils should be to adopt a 'needs-based' approach to rural transport planning. This will involve developing a suitable methodology for defining needs and will require an explicit cost being placed on satisfying those needs. Through such a system our politicians and officials would be made more aware of how much it costs to meet whose needs. For too long the 'rural transport problem'/*
problem' has been conceived of as either a problem for the transport operators in that they were meeting with financial difficulties, or as a problem for the local authority in that it was being faced with increasing claims for subsidies from operators. As such, remedies to the problem took the form of attempts to reduce losses and to reduce subsidies. A more consumer oriented approach is advocated here, with the emphasis being placed on encouraging those actively involved in the rural transport planning process to make the most of what transport facilities exist, to identify the needs which are not met by the existing level of provision, and to devise alternative means for satisfying these needs.
APPENDIX 1

The Jack Committee (1961): Summary of main conclusions

The Report of the Jack Committee is an important landmark in a discussion of the role played by government (both central and local) in dealing with declining rural public transport services. It marks the first comprehensive central government response to what was, at the time, an emerging problem. And it referred, for the first time, to the potential role which local authorities could play in maintaining public transport services in their rural areas.

The Committee's main conclusions and recommendations were:

(1) The rural bus problem is the product of a number of factors, the chief of which is the increase in private transport.

(2) Responsible estimates are that the growth of private transport will continue.

(3) The manpower needs of agriculture, forestry and rural industry do not by themselves present exceptional difficulties.

(4) However, the problem involves hardship to a small number of people and inconvenience to more, which does not accord well with any reasonable concept of adequacy.

(5) Some rural bus services must therefore be regarded as inadequate.

(6) Steps should be taken forthwith to improve these services and to ensure the continuity of other services so long as they may be required.

(7) The amount of financial assistance which might be required cannot be measured by the difference between operators' average costs and their receipts per vehicle mile.

(8) Any solution involving financial assistance should be related to the circumstances of each case and should not be based/
based on any general formula of costs per vehicle mile.

(9) The licensing system as a whole has worked well but is not now a sufficiently powerful instrument to deal with the situation so far as unremunerative rural services are concerned.

(10) There is a case for making better use of the allocation of the school contract.

(11) The minibus has not lived up to the hope that it would help with the wider problems of rural services, but full Certificate of Fitness Standards should not be reimposed.

(12) In most villages which were too small to have any bus service there would be no carrier or tradesman available to undertake a passenger service.

(13) Operators might with advantage give more attention to the possibility of expanding their parcel traffic.

(14) The Postmaster General should be invited to reconsider the extent to which mail at present carried in Post Office vans could be passed over to buses, and the possibility of allowing fare-paying passengers to travel in Post Office vans.

(15) The general introduction of postal buses to this country on the Swiss or German pattern would be unsuitable and unwise.

(16) We see no reason to suppose that some further operating economies will not be made in the future.

(17) Operators should explore the possibilities of increasing fares on those services which are in danger of being withdrawn before taking any decision to discontinue them.

(18) The administrative and organisational changes we propose will not solve the entire problem. Adequate rural bus services cannot be provided except as a result of some measure of financial assistance from outside the industry.

(19) Remission of fuel tax would be a simple way of giving relief, but if granted on all services or on all stage services would inevitably be imprecise and indiscriminate.

(20)/
Remission on all services would not merely offset the losses at present incurred on rural services; it would also present the larger companies with a considerable increase in profits.

It would be a once-for-all measure. After the benefits of tax remission were exhausted, it would be necessary to devise some other means of giving assistance.

The remission of tax on all stage services or on rural services only would involve serious administrative problems and difficult questions of definition.

It would be preferable to give whatever assistance was required in the form of direct financial aid.

Of the various ways in which this assistance might be given, administration through the County Councils would be the most satisfactory.

The cost of financial assistance should fall partly on the Exchequer and partly on the County Councils.

The Development Commission might play a useful role in the administration of any financial assistance provided by the central exchequer.
APPENDIX 2

The RUTEX scheme

In 1977 the Government introduced a series of rural transport experiments in order to explore possible solutions to the problems of people in rural areas who do not have access to a car, particularly where the lack of passengers makes conventional bus services difficult to run, or where public transport no longer exists.

The 16 schemes which were introduced included:
- two flexible route services using small professionally-driven buses and offering pick up on demand.
- a volunteer driven community minibus, also with flexible routing;
- three variants on a new form of operation involving shared hired cars, charging each passenger separately, at rates comparable to bus fares.
- four schemes involving use of private cars to provide an organised transport service, authorised to charge fares, in areas of very low demand for public transport.
- two hospital transport schemes, which involve hire cars, private cars or minibuses, to tackle the problems of people living in remote areas who need to get to centralised hospitals in towns, to visit patients or attend clinics.
- three post bus services, (one linked to one of the flexible - route minibus schemes).
- an emergency car service, catering for unexpected and urgent transport needs.

These schemes are particularly interesting in that they involved the cooperative efforts of both central and local government.

The four study areas where RUTEX was implemented were Devon, North Yorkshire, Wales (Llandovery area) and Scotland (Ayrshire).
**APPENDIX 3 - Grampian Region**

Car ownership: Number per 1,000 households with no car.

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<td>Drumblade</td>
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Range of scores = 113 to 558
Average score = 314

Source: 1971 Census Civil Parish Data.
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